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Daily Report

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28 December 1989

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General

Foreign Ministry Holds Weekly News Briefing

Opposes Arms Sales to Taiwan

HK2812094089 Beijing XINHUA in English
0931 GMT 28 Dec 89

[Text] Beijing, December 28 (XINHUA)—China is opposed to any country selling any kind of weapons and military equipment to Taiwan, a foreign ministry spokesman said here today.

In response to a question at a news briefing seeking comment on reports that France may sell warships to Taiwan, the spokesman said: "China is resolutely opposed to any country selling any kind of weapons and military equipment to Taiwan or the co-production thereof with Taiwan, be it conducted directly or indirectly, in part or in whole."

Such practice constitutes a direct interference in China's internal affairs, he said.

Comments on Romanian Events

HK2812095889 Beijing XINHUA in English
0951 GMT 28 Dec 89

[Text] Beijing, December 28 (XINHUA)—China is concerned about the development in Romania and believes it is Romania's internal affair, said a Chinese Foreign Ministry spokesman here today at a weekly news briefing.

When asked what impact the situation in Romania may have on China, the spokesman said, each country has its own circumstances, adding that proceeding from its own actual conditions and from the Chinese people's fundamental interests, China will stick to the four cardinal principles and the policies of reform and opening to the outside world in building socialism with Chinese characteristics.

Further on Romania

OW2812124689 Beijing Domestic Service in Mandarin
1030 GMT 28 Dec 89

[Excerpts] Chinese Foreign Ministry Spokesman Jin Guihua answered reporters' questions at a news briefing this afternoon. [passage omitted]

Answering a question on the Romanian situation, Jin Guihua said: We are concerned about the developments in Romania. As for the stepping down and execution of Ceausescu, we believe that it is an internal affair of Romania. We hope that the friendship between the Chinese and Romanian people and the friendly relations between the two countries will not be affected.

Discusses East Europe

HK2812100389 Beijing XINHUA in English
0954 GMT 28 Dec 89

[Text] Beijing, December 28 (XINHUA)—China will continue to maintain and develop the friendly relations of cooperation with Eastern European countries on the basis of the Five Principles of Peaceful Co-existence, a Foreign Ministry spokesman said here today.

In response to a question at a weekly news briefing, the spokesman said the current events in some Eastern European countries are their internal affairs.

"China would not interfere in the internal affairs of other countries," he added.

China wants to see social stability and economic development in these countries, he said.

Answering a question on the international communist movement, he said that a basic experience of the international communist movement is that the communist parties of all countries should formulate their respective programs, guidelines and guiding principles and policies according to the principle of integrating basic Marxist theories with the practice in their own countries.

In history, he said, there has never been a single social system that has not experienced twists and turns in the course of its development.

"We are convinced that socialism will eventually overcome the difficulties it encounters in the course of its advancement and continue to develop," he said. "We have full confidence in socialism."

Reaction to Events in Panama Continues

WEN WEI PO Editorial

HK2812063189 Hong Kong WEN WEI PO
in Chinese 28 Dec 89 p 2

[Editorial: "The Logic of U.S. Troops' Invasion Into Panama"]

[Text] The invading U.S. troops have encircled the Vatican Embassy in Panama, in an attempt to force the Vatican to hand over Noriega who sought asylum in the Vatican Embassy. However, the Vatican has refused to hand Noriega over to the U.S. forces, while Noriega himself hopes to go to Cuba.

The U.S. military forces stressed that they must arrest Noriega. Things are now deadlocked. Will the Vatican as the representative of God be able to shield Noriega, or yield to the threats of the U.S. troops' guns? This will attract worldwide attention.

When invading Panama, a country with a population of only 3 million people, the U.S. forces used the latest F-117 "invisible" fighters, and used 900-kilogram jumbo bombs to blast Panama's military headquarters. The

U.S. forces won the battle, but the United States did not win the moral support. It was condemned by many countries. Its relations with other Latin American countries have also become tense.

The military invasion violated the UN Charter, and the wanton and indiscriminate bombing conducted by the invading U.S. forces caused astonishing casualties. More than 200 Panamanian civilians were killed, several hundred civilians were wounded, and tens of thousands of people became homeless. A Spanish cameraman was shot dead by the U.S. troops when he was covering the battle news. The United States often poses as a "guardian of humanitarianism," but it unscrupulously inflicted the disaster of war on the people of another country, killing and injuring so many innocent people. This can hardly be regarded as "humanitarian." The American television did not give much coverage to the casualties caused to the Panamanian civilians, and did not mention the death of the Spanish reporter, still less any condemnation was made against this. The mass media in the United States monopolizes the information accessible to the public. There is freedom of the press, but such freedom is completely biased. CNN carried out an opinion survey among its watchers on the U.S. military action in Panama and found that 90 percent of the respondents supported this action. This showed to what degree the mass media has influenced public opinion.

Why did the American television watchers not feel sorrow for the killing of the innocent civilians? Why did they, on the contrary, cheer the aggressive action of their country's military forces? This is a question that people who call for "human rights" all day long should seriously consider.

The rationale for the U.S. military invasion was to "protect the American nationals residing in Panama." If so, the military action should have stopped as soon as the American nationals were withdrawn, and the military forces should have also been withdrawn after that. However, the whole world noticed that after the U.S. troops invaded Panama, none of the American nationals was withdrawn; instead, Panama's president was changed and a pro-U.S. government was propped up.

So far, the U.S. troops are still pursuing Noriega. The laws and law courts in Panama were completely disregarded. The U.S. laws were taken as the laws for Panama. If the rationale of the United States for sending troops to arrest Noriega is tenable, then all countries in the world will not need to abide by any extradition treaty, because they may simply send their troops to another country to capture those they want to arrest. Won't this bring complete chaos to the whole world?

It is said that the U.S. invasion of Panama brought democratic rights to the Panamanian people. However, in the last 20 to 30 years, the United States has always propped up pro-U.S. regimes in Central America and South America and fostered U.S.-style democracy there.

The practice of using military forces to support democracy has seriously hurt the national dignity of the countries in Central and South America. As a result, the pro-U.S. regimes were not supported by the people, and they all had to use autocratic means to suppress the voice of the opposition. Finally, the United States had to resort to coups or military invasions to prop up new "democratic" governments.

The presence of the U.S. forces will only evoke a new anti-U.S. upsurge among the Panamanian people. The internal affairs of Panama can only be handled by the Panamanian people themselves, and the democratic system in Panama can only be established by the Panamanian people themselves. The U.S. invasion is just a hegemonical action, which can hardly be regarded as an action in line with the norms of democracy.

27 Dec XINHUA Commentary

OW2712120789 Beijing XINHUA in English
1140 GMT 27 Dec 89

["Commentary: U.S. Troops in Panama for Self-Defense or Hegemonism?"—by Xiao Fangqiong]

[Text] Beijing, December 27 (XINHUA)—The United States asserted at last week's United Nations Security Council urgent consultations it has exercised, by sending 26,000 troops to Panama, its right of "self-defense" under the U.N. Charter.

The question is: Whether it was an act of self-defense or hegemonism when a superpower invaded a remote small nation of only two million people.

Article 51 of the U.N. Charter states that if an armed attack occurs against a U.N. member, the attacked can exercise the "inherent right" of self-defense. It is clear that only when a nation, rather than an individual person, is attacked, should the fight against another nation under the name of self-defense be justified.

The recent so-called self-defense act by the U.S. was triggered by the death on December 16 of an American military officer in a conflict with the Panamanian soldiers on the territory of the Central American nation. In this case, Panama sent soldiers neither to the U.S. overseas "territories" or its proper, let alone launching armed attacks. The death of an individual U.S. soldier should never be a justification for the U.S. invasion of a sovereign state.

Since the start of the political crisis in Panama in 1987, the U.S. has resorted to all sorts of means, political, economic, military, diplomatic, and even assassination attempts, to oust Panama's military chief General Manuel Antonio Noriega so as to safeguard its strategic interest in the Panama Canal region.

The failure of all its efforts since proved to be the true cause for U.S. soldiers rolling into Panama's capital and its second largest city of Colon, killing innocent women,

children and old people and making over 5,000 homeless. Running counter to the U.N. Charter spirit and violating the territorial sovereignty of another nation, the U.S. military operation obviously has nothing to do with "self-defense."

In fact, the current incident was only the latest of episodes in the past decades in which the U.S. indulged in military intervention in Latin America and the Caribbean under the pretext of "self-defense." It sent Marines to Nicaragua in 1926; dispatched fighters to topple Guatemala's democratic government of President Jacobo Arbenz Guzman in 1954; backed U.S. mercenaries' landing in Cuba in 1961; had an hand in Dominican Republic's internal strife in 1965; and led the "multinational forces" in an invasion of Grenada in 1983.

The U.S., by following the "Monroe Doctrine" that regards Latin America and the Caribbean as U.S. backyard, has written an infamous history of practising power politics in the region. Its "self-defense" rhetoric in the current invasion of Panama amounts to nothing more than harping on the same string once again.

21 Dec XINHUA Commentary

OW2112172889 Beijing XINHUA Domestic Service
in Chinese 1435 GMT 21 Dec 89

["Commentary: A Shocking Hegemonist Act"; by XINHUA reporter Liu Ruichang (0491 3843 1603)]

[Text] Beijing, 21 Dec (XINHUA)—Some 20,000 U.S. troops, under the cover of aircraft and tanks, outrageously launched an armed invasion of Panama, a small country with a population of 2 million in the early morning of 20 December. They seized its capital, Panama City, and the second largest port city of Colon.

This is another naked aggression by the United States against a Latin American sovereign state, following its 1983 armed invasion of Grenada. The U.S. act is, of course, strongly condemned by the majority of countries in the world, particularly Latin American countries.

The United States, under various excuses, repeatedly launched armed invasions against Latin American nations, which it regards as its "backyard." It provides three so-called "reasons" for the current invasion: One is to "protect" the safety of the lives and property of its people in Panama; next is to "promote" Panama's "democratic process" and "protect" the Canal Treaty; and the third is to "arrest" General Noriega, commander of the Panama Defense Force, and "bring him to trial" in the United States.

Of the three points, some are platitudes that the United States frequently talks about and others are quite new. For instance, it went so far as to dispatch troops to invade a sovereign state in order to arrest the latter's military leader and head of state and bring him to trial in

the United States. However, these aren't the true reasons. The essence of the issue has something to do with the "reason" of "protecting" the Canal Treaty.

In 1903, the United States obtained, through an unequal treaty, the right to permanent use of the Panama Canal. Later, it moved to Panama its Southern Command, which is in charge of military operations in whole Latin America, and established 14 military bases there. Some 10,000 to 20,000 U.S. troops are permanently stationed there. In order to recover its sovereignty over the Canal, the Panamanian Government signed a new canal treaty with the United States in September 1977. Under the new treaty, the United States shall return to Panama sovereignty over the whole canal and withdraw all its troops from there on 31 December 1999. This is the result of a long patriotic struggle waged by the Panamanian people with the support of the people of other countries in the world. However, the United States, regarding the Panama Canal and Panama as its strategic position in the Western Hemisphere, is unwilling to return the sovereignty of the canal to the Panamanian people. Shortly before the treaty became valid in 1979, the U.S. Congress adopted legislation for implementation of the treaty, known as the "(Murphy Revision)," unilaterally expanding the power of the U.S. Government in controlling the Canal and the safety of the canal, and attempted to distort the treaty and interpret it in favor of the United States so as to revise the new treaty and enable the United States to regain permanent control of the canal. These acts of the United States were opposed by General Noriega and the majority of the Panamanian people. Since then, the United States decided to get rid of Noriega and has been content with nothing less than his death.

Since the middle of 1987, the United States exploited Panama's domestic political contradictions to poke its nose into Panama's internal affairs and successively instigated three coups in an attempt to overthrow the Noriega regime, but all the coups failed. In order to consolidate his political power, Noriega became the head of state and gained both military and political power in Panama on 15 December this year. However, the United States made an armed provocation against the Panamanian Army and caused bloodshed in a clash on 16 December, and then used the clash as a pretext to start the war of aggression. This is a long premeditated act of the United States.

The U.S. armed invasion of a small country once again reminds people that while the major trend of international situation is for detente and dialogue, the hegemony and power politics of a strong nation bullying a weak nation still exist. The people of all countries in the world will draw a lesson from it. Perhaps the Panamanian people will suffer a temporary setback in their just struggle, but they will never yield and will continue their tenacious struggle to oppose U.S. aggression and recover sovereignty over the canal.

XINHUA Roundup

OW2412183289 Beijing XINHUA Domestic Service
in Chinese 1127 GMT 24 Dec 89

[Roundup by reporter He Dalong (0149 1129 7127): "An Embarrassing Christmas"]

[Text] Washington, 23 Dec (XINHUA)—Christmas is drawing near, but the holiday atmosphere in American streets cannot conceal the fact that this country is in a dilemma after its invasion of Panama.

Newspapers no longer carry praise for the government's military action as they did in the first couple of days. What people see now are disturbing headlines such as "United States Is Bogged Down in a 'Real War' in Panama, Says General," "It Seems that Noriega Is Directing A Counterattack, Says U.S. Commander," "Looters Rob Panama City Stores; Store Owners, Residents Resent U.S. Failure To Restore Order," "Bush Sends 2,000 Additional Troops to Panama," and "Soldiers, Dependents at Home Upset." Television screens kept showing coffins shipped back from Panama by C-130 transports and newspapers published the namelist of U.S. casualties, putting a coat of dark color on Christmas.

The wishful thinking of the U.S. Government before dispatching troops to Panama was to fall on Panama in a blitz with a superior force of 24,000 men, capture Noriega, set up a pro-U.S. new government in Panama and in 10 days time, return the troops home for New Year's Day. However, several days have elapsed and Noriega is still at large. U.S. invaders are constantly being attacked by Noriega supporters in the Panamanian Defense Forces [PDF] and among the people, and present U.S. casualties are 25 dead and 238 wounded. On the morning of 22 December, the U.S. Southern Command in the Canal Zone, which is directing the current invasion, was raided by the PDF and staff officers there were scared and took cover under their desks. The vice president of the new government set up after the U.S. invasion was also assailed, but he luckily escaped death.

It is reported that the war caused chaos in the Panamanian capital. Almost all public utilities are at a standstill, food and medicine are in short supply, and garbage is everywhere. Looters robbed stores of all color television sets, video cassette recorders, refrigerators, furniture, and other commodities. Many people, bringing along the old and the young and carrying bundles, are fleeing the war zone. The Panamanian people's complaints about the misery caused by the U.S. invasion are heard everywhere.

General Thurman, commander of the U.S. Southern Command, admitted that the U.S. invaders feel that it is beyond their capability to fulfill all the missions—capture Noriega, defend against raids by the PDF, rescue U.S. hostages and maintain public order—at the same

time. For this reason, the U.S. Government had to send 2,000 reinforcement troops to Panama.

Before taking the military action, the U.S. Government made some explanation to Latin American leaders, but its act of aggression is still condemned universally by Latin American countries. The Organization of American States [OAS] on 22 December adopted a resolution condemning the U.S. armed interference in Panama and demanded a rapid withdrawal of U.S. troops from there. The U.S. representative was the only one who voted against the resolution. U.S. isolation at the OAS meeting made Washington both annoyed and embarrassed.

The U.S. media is becoming more and more worried that the invasion might cause serious consequences. More and more congressmen are demanding that the government put an end to the military operations as soon as possible. In a 22 December letter to Congress, President Bush admitted: "Although (in Panama) most organized opposition has ceased, it is not possible at this time to predict the precise scope and duration of the military operations."

Political Talk Column

HK2512092289 Hong Kong TA KUNG PAO
in Chinese 25 Dec 89 p 2

["Political Talk" by Shih Chun-yu (2457 0689 3768): "Christmas in the Battlefields of Panama"]

[Text] Christmas has arrived and American President George Bush has gone away to spend the Christmas holidays. However, since he ordered the U.S. forces to invade Panama 5 days ago, 26,000 American troops are unable to celebrate the holidays with jubilation and have to pray for their safety amid the gunpowder smoke of the battlefields. The 200-plus wounded and hospitalized are having another form of "white Christmas" in hospitals, and the 20 people who have lost their lives are celebrating the holidays together with "God in the heavens." And no one can really tell how they feel spending the holidays in that way.

Even American journalists questioned: Can Bush feel at ease spending the holidays?

Probably this situation is beyond the expectations of Bush and the U.S. Government.

In the early morning hours of 20 December, the United States carried out a large-scale military operation and invaded Panama, which has a population of just 2 million people or so, on a dark night with the highest aim of bringing Manuel Noriega to "justice." According to the American wishful thinking, the task could be completed easily: In collaboration with U.S. forces scheduled to attack directly from American territory, the U.S. forces in the Panama Canal Zone would launch a converging attack from the ground and the air with a force many times that of Panamanian National Defense Forces (including paramilitary forces), control the whole

territory, and seize and bring Noriega to the United States in a matter of days. In this way, the White House could celebrate Christmas amid songs of triumph.

But it is a pity that things have gone contrary to their wishes. Like a flea, Noriega fled from the fist of the U.S. forces and his whereabouts are unknown. Later on he even managed to speak through a radio station. The U.S. forces have failed militarily to bring the tiny state under control quickly and have even been unable to stabilize the country's capital, Panama City. In the meantime, fighters loyal to Noriega are still making sneak attacks everywhere in the city, keeping the American military personnel in a state of constant unease. Consequently, the United States had to send another 2,000 troops from its territory to augment its military strength there.

Originally the United States thought that Noriega's troops were lacking in morale and on the arrival of the U.S. forces, they would flee pell-mell, put down their weapons, and surrender. But this is not the fact. The resistance was unexpectedly tenacious.

It seems that the Americans did not take the Panamanians' national sentiments into account or think that the American aggressive actions would be viewed negatively. True, Noriega's moral conduct is base but the aggression of the U.S. forces may possibly help make him a national hero and help him win unexpected support.

Militarily, the United States has failed to win quick victory in Panama and politically, it will be difficult for it to expect quick results.

The United States, exceeding its duty and meddling in Panama's affairs, claimed to restore democracy in Panama and propped up Endara—who was the winner of a general election—as the president the moment it invaded Panama. However, as the facts show today, Endara has failed to establish his regime so far. Militarily, few people from Noriega's command crossed over to Endara's side and politically, since Noriega's threat has not yet been eliminated, many people dare not side with Endara. Hence, the legitimacy of his power remains questionable. Diplomatically, since many countries are condemning the American behavior, he failed to win recognition from the world community. Particularly, he was abandoned by Latin American nations.

Having once served the U.S. Federal Bureau of Investigation, Noriega knew very well the way the United States operated its investigation establishments. The United States wanted to seize him but this is no easy job. If he waged guerrilla warfare in the mountains, maybe this might pin down and drag the U.S. forces for a long time. Moreover, Endara would be unable to support himself independently from American protection in the short run. This being the case, it was easy for the U.S. forces to enter Panama but they will be unable to withdraw as freely as they please.

In a letter to Congress, Bush said: Although organized opposition has basically ceased, it is not possible at this

time to predict the precise scope and duration of military operations or how long the temporary increase of U.S. forces in Panama will be required. A White House official estimated that it would take several months to catch Noriega. As such, a U.S. troop withdrawal will be a matter to take place in the 1990's.

Ten years from now when the 1990's ends, according to the new "Panama Canal Treaty" signed by the United States and Panama in 1977, the United States will return the whole administration and matters pertaining to defense of the Panama Canal to Panama and must withdraw all its forces. This is not something the United States wishes to see. The relations between the American propping up of a puppet regime and the future of the Panama Canal will be a matter that attracts wide concern.

ESCAP Agricultural Network Welcomes China

OW2012021989 Beijing XINHUA in English
1628 GMT 19 Dec 89

[Text] Katmandu, December 19 (XINHUA)—The Regional Network for Agricultural Machinery (RNAM) of the Economic and Social Commission for Asia and the Pacific (ESCAP) has appreciated China's assistance to its participating countries and admitted China into the network.

The network works for increasing agricultural output, raising labor productivity, and improving working conditions of farmers by popularizing mechanization.

A report adopted at today's closing meeting of the 12th session of the governing body of the network here said that China provided assistance in terms of the supply of prototypes of agricultural machines, visits by manufacturers, conduct of a regional training course, and a regional workshop prior to its application to join the network.

China was admitted at the 3-day session into RNAME.

The report said that in considering China's application, the governing body took note of the agricultural mechanization technologies in China which had conditions similar to those in the participating countries.

"China's participation in RNAME would be mutually beneficial to the participating countries," it said.

RNAME of ESCAP is jointly funded by the United Nations Development Program, Australia, Japan, and the participating countries—Bangladesh, India, Indonesia, Iran, Nepal, Pakistan, the Philippines, South Korea, Sri Lanka, Thailand, and China.

*Article Urges Resistance to Peaceful Evolution

40050006 Beijing XUEXI YU YANJIU in Chinese
No 10, 5 Oct 89 pp 33-35

[By Yu Zimu (0151 5261 3668)]

[Text] When discussing the counterrevolutionary rebellion in Beijing, Comrade Xiaoping pointed out: "This disturbance was inevitable. It was determined by the

overall international climate and China's own microclimate." It is my understanding that the overall international climate spoken of here refers primarily to the United States' involvement. Looking at the broader context, I think it refers to the peaceful evolution conducted by the Western monopoly capitalist class, led by the United States, against socialist countries. Recently, the CPC Central Committee issued a circular on strengthening propaganda and ideological work. The circular particularly stressed that we need to be vigilant against and resist the West's peaceful evolution.

China's reform and opening up to the outside world is taking place in today's international environment and cannot be divorced from the general developments and struggles occurring in the international arena. In order to ensure the smooth progress of reform and opening up, we must pay attention to and study what is going on in the international environment, carry out necessary struggle, and consciously strengthen Marxist-Leninist education as well as ideological and political work.

We need to analyze two aspects of the current international situation and overall international climate. One aspect is the trend of dialogue replacing confrontation and detente replacing tension, which indicates that the world has entered a new period advantageous to maintaining peace and hastening development. This situation is beneficial to China's reform and opening up to the outside world. The second aspect we must at the same time be aware of is that the struggle, behind detente, between the two different social systems and ideologies is sharp, complicated, and, under certain conditions, even intense. Just as comrade Xiaoping pointed out, the entire imperialistic Western world seeks to make all of the socialist countries abandon socialism until they finally fall under the control of the international monopoly capitalists and the capitalist road. Here lies the crux of the problem. The basic strategy and goal of the Western world, led by the United States, is to subvert the socialist countries' governments and destroy communism. In different periods, and in response to changes in both socialism and capitalism, the West has used different strategies and methods.

Historically, in the 72 years since the birth in 1917 of the first socialist state, the Soviet Union, the struggle generally has passed through three major stages:

1. From 1917 until the end of the second world war in 1945, the main characteristic of the struggle was to annihilate and oppose annihilation. The policy of annihilation was proposed by then British Prime Minister Churchill, who hollered, "Destroy the young Soviets in their cradles," and instigated 14 imperialistic countries to attack the Soviet Union. During the second world war, Chamberlain said that Great Britain should direct Germany's attack toward the Soviet Union and use Hitler's strength to strangle socialism. This scheme ultimately did not succeed.

2. From 1946 until 1988, the main characteristic of the struggle was containment and opposing containment. The West carried out a strategy of containment against socialism, which had been proposed by U.S. President Truman. The period from the end of the war until the end of the 1960s was the Cold War period, in which the West used mainly military offensive, economic embargo, political isolation, and ideological means to carry out peaceful evolution. In the 1970s, the United States, defeated in Vietnam, began to engage in detente and political and economic exchange.

During this stage, from the beginning of the 1950s, the United States proposed the strategy of peaceful evolution toward socialist countries. The cultivation and support of "democratic individualists" in China proposed by U.S. Secretary of State Acheson is an example of peaceful evolution. In 1953, U.S. Secretary of State Dulles took office and proposed the "liberation policy" of the Western capitalist class. He preached that it was "necessary always to remember" the "liberation issue" of the people living under the socialist system, and he advocated using "peaceful means" to attain that goal. In 1956, Acheson proposed placing the hope of peaceful evolution in China on the third and fourth generation of Communist Party leaders. Subsequent U.S. administrations all emphasized and implemented this idea. As examples, Eisenhower stressed the peaceful attainment of victory, while Carter emphasized human rights diplomacy. Nixon wrote a book, 1999: *Victory Without War*, focusing on his thoughts regarding peaceful evolution. He said that the goal of the Soviet Union is to build a communist world, while the goal of the United States and the West is to build a "free world," victoriously and without war. He moreover proposed a timetable, saying, "We must guarantee that when we compile the history of the 21st century, history will be on our side."

3. After Bush took office in 1989, the implementation of the peaceful evolution strategy, which the Americans refer to as the beyond-containment strategy, began. This strategy was proposed by Bush and calls for a complete, active renewal of the "peaceful evolution" offensive against socialist countries. Bush believes that the new wind of glasnost and political pluralism, stirred up by the Soviet Union and spearheaded by Poland and Hungary, and the tide of democracy and freedom have already swept from Warsaw to Tiananmen Square and that the United States must seize this golden opportunity to carry out its strategy for the 1990s. Bush believes that the Soviet Union, Eastern Europe, and China are places of great hope and that Eastern Europe may become a potential new frontier of the United States.

The main content and methods of Bush's beyond-containment strategy are as follows:

1. Political infiltration and subversion of socialist countries to support opposition forces. Examples are U.S. support for Poland's Solidarity Labor Union and China's Fang Lizhi. Political organizations established in the United States, such as the Chinese Alliance for

Democracy, headed by escaped renegades Wang Bingzhang [3769 3521 4545] and Hu Ping [5170 1627], and the Chinese Democratic Party, which carries out anti-Chinese and anti-communist activities, have all received protection and support from the United States.

2. Economic aid to and control of socialist countries by taking advantage of the trend of reform and opening up to the outside world. The strategy calls for extending loans to countries in economic trouble but on the condition that the recipient country develop its economy toward one that is free, market-oriented, and privatized. Then, once the United States realizes economic control, it will push for political change.

3. Psychological warfare in ideological and cultural spheres. The United States uses democracy, freedom, and human rights as weapons to force the West's value system onto socialist countries. It uses instruments of public opinion, such as newspapers, publications, and the "Voice of America" in particular, to carry out psychological warfare. A recent study on how to deal with socialist countries, conducted by some sectors of several major Western countries, indicated that developments over the past 40 years demonstrate that the socialism of communist parties is by no means something to be afraid of, nor is it indestructible. Tough tactics against it will not work, but psychological warfare would be effective, in fact, extremely effective. The study pointed out that psychological warfare's designed to win people over by weakening their wills. The West's psychological warfare stresses the following: It propagandizes that socialism has no future, at least not within the next 100 years; it spreads the notion that the third and fourth generation of the Communist Party is decadent, losing power, unqualified to represent the people, and even less qualified to lead; and it seeks to create trouble between the socialist populace and their leaders, and among ethnic groups, by spreading rumors and sensational exaggerations to weaken people's wills and sow discord, domestically and abroad.

4. Using Eastern Europe as a strategic breakthrough. In his "Policy for Eastern Europe," Bush pointed out that the main objective is to encourage peaceful evolution and nudge Eastern Europe toward political pluralism, economic freedom, and independence from the Soviet bloc in diplomatic relations. An outstanding feature is Bush's primary method, which is to widen the "differential treatment." He is currently concentrating his efforts on Poland and Hungary and will extend preferential treatment in economics and trade. At the same time, Bush is increasing cultural, educational, religious, and other types of exchanges with Eastern Europe in order to infuse Western values and concepts.

Of course, the West's proposal of peaceful evolution is one thing. Whether this strategy can succeed is quite another. Thus the development of the peaceful evolution strategy depends, on one hand, on the steps taken by Western countries and, on the other hand, on the conditions and policies of the targeted countries.

The fact that the West, particularly the United States, has focused its attack on Poland and Hungary is related to the situation in these two countries. Poland and Hungary are both in serious economic trouble with worsening inflation, a declining standard of living, and very heavy foreign debt. Poland's foreign debt is \$39 billion, an average of \$1,000 per capita. Hungary's foreign debt is \$18 billion. Politically, the United States actively supported Poland's Solidarity Labor Union, which appeared during the August 1980 labor movement. The Solidarity Labor Union is now legalized and has become a legal opposition group in the political arena. In January of this year, Poland passed a resolution for pluralism of political parties and labor organizations. By the time of the parliamentary election, held ahead of schedule, the opposition group had already become the majority force in parliament. The Politburo of the Hungarian Party Central Committee made adjustments during the May meeting of the party congress. In its February plenum, the Hungarian Party Central Committee decided to implement a multiparty system. In Hungary, several opposition organizations have now appeared. During his trip to Poland and Hungary in early July, U.S. President Bush expressed his "support for democratic reform" and announced that he would provide each country with funds to promote private enterprise. He declared that the purpose of his visit was to express "the United States' partnership." In his speech, Bush said that he "hopes the changes in Poland and Hungary will spread to other Eastern European countries." He also said something about communism "rapidly collapsing" and that "the most important task of the West at the present time is to formulate a coordinated, united policy to handle this transition period and to induce other reforms."

The United States' peaceful evolution strategy suffered a serious setback in China. The Americans have a saying about China: "China is the world's largest communist society, yet it is the last country to feel the democratic wind." The Americans believe that now is the time to hasten "democratization" in China. Thus, they have used various methods to support China's opposition forces. On the surface, they pretend to support China's reform and opening up to the outside world, but in reality, they want to make China over into the Western model and have vainly tried to make China capitalist. They support anti-communist forces in Taiwan and, furthermore, often apply pressure on us and interfere in our internal affairs, via international human rights and amnesty organizations, over so-called "human rights" issues such as Tibet and Wei Jingsheng.

From the Beijing student movement upheaval until the counterrevolutionary rebellion, the United States made an erroneous assessment of the situation. Believing that the time had come, the United States played the part of overseas plotter and commander. As early as the beginning of the year, it sent the leading cadres of the Central Committee a letter, via Fang Lizhi, on the so-called "human rights issue." Immediately after that, Fang Lizhi

used American and Western reporters to wantonly spread propaganda abroad in an attempt to exert international "pressure" on China. When Bush visited China, the United States plotted the "Fang Lizhi not getting to the banquet" flap. Following this, the head of the "Chinese Alliance for Democracy," Chen Jun [7115 6511], used deceitful means to circulate a petition through Beijing's intellectual, literary, and art circles openly supporting Fang Lizhi. This petition was also wantonly circulated overseas and in Hong Kong and Taiwan to mold public opinion and to try to create "pressure" on the Chinese Government. During China's domestic upheaval, the United States became giddy over its success and thought that events were proceeding even better than it had expected. Bush announced, "This is the resolute struggle facing the establishment of freedom and free enterprise in the communist world." The "Voice of America" concocted and broadcast a large volume of rumors every day to incite college students, intellectuals, and the media to take part in the upheaval. A handful of those who plotted the upheaval thought that they had the support of the United States and other Western opposition forces and were therefore brazen and smug. However, just when domestic and overseas opposition forces were feeling immensely proud of themselves, the CPC Central Committee took resolute and decisive measures to put down the counterrevolutionary rebellion. This action smashed the United States' dream of "peaceful evolution" in China and left them without their "friends" in China. Some people compared the situation to that in 1949, when the United States suffered its first loss after losing its influence in China. Now, this setback to its plan to carry out peaceful evolution in China can be considered a second loss.

China's success in putting down the counterrevolutionary rebellion was a significant international contribution to the socialist countries' resistance to peaceful evolution. However, the United States and other Western countries are not ready to accept their failure. The struggle between the two systems and ideologies will be long, complicated, and even, at times, very intense. In order to better oppose peaceful evolution, we should pay attention to the following:

1. We must thoroughly understand the international situation and develop the mentality of being vigilant against, and resisting, the West's peaceful evolution for the long term. When we look at international detente, we must also look at the conflicts. At the same time that we steadfastly carry out our policy of reform and opening up to the outside world, make friends throughout the world, develop economic relations with all countries on the basis of equality and mutual benefit, and import capital, technology, management expertise, and beneficial culture from the West, we must by no means, in a friendly atmosphere, lose our guard or become confused as to where the boundary lies between their ideology and politics and ours. In our dealings with the West, we must

resolutely cast aside all ugly, decadent things and energetically prevent the infiltration of bad Western influences. In ideological matters, including theory, literature, art, news, publishing, and education, we must especially do a good job in order to resist the peaceful evolution strategy.

2. We must do a good job domestically to eradicate elements that create upheaval. The key to preventing the West's peaceful evolution scheme lies in our domestic efforts and our countermeasures. We must uphold the four cardinal principles and oppose bourgeois liberalization; yet we must also persevere in our general policy of reform and opening up to the outside world. At the same time that we implement reform and invigorate the economy, we must also resolutely punish corruption, solve the problem of unfair distribution, stop inflation, correctly develop democracy, perfect the legal system, and prevent the growth of disruptive elements.

3. We should study and learn from international experience. We must pay attention to and study the theories, processes, methods, successes, and failures of the political and economic reforms of the Soviet Union and Eastern Europe. We must learn from their successful experiences, derive lessons from their failures, and turn the experiences and lessons of international communism into our own wealth.

Near East & South Asia

President Yang Shangkun Continues Oman Visit

Holds Talks With Sultan

OW2712132989 Beijing XINHUA in English
1307 GMT 27 Dec 89

[Text] Muscat, December 27 (XINHUA)—Visiting Chinese President Yang Shangkun today praised the important role the Gulf Cooperation Council (GCC) plays in international and regional affairs, stressing that the gulf affairs should be managed by the gulf countries themselves.

"The Chinese Government sets store by the increasingly important role the GCC plays in international and regional affairs," said President Yang, who arrived here Tuesday for a three-day official goodwill visit to Oman.

Yang made the remarks at his talks this morning with Omani Sultan Qabus Bin-Sa'id.

At the talks which proceeded in a "fairly friendly atmosphere," the two leaders discussed bilateral relations and cooperation and international issues of mutual concern, a member of the Chinese delegation said.

Yang congratulated the GCC member states on the success of their just-concluded 10th summit. The six GCC member states are Oman, Saudi Arabia, the United Arab Emirates, Kuwait, Qatar and Bahrain.

Chaired by Sultan Qabus, the GCC's 10th summit was held in Muscat on December 18-20. The summit dealt with the economic cooperation among the GCC states, security in the gulf region, Iraq-Iran peace talks, the Lebanese crisis and the Palestinian issue.

"We are happy to see the six GCC countries moving toward greater unity and self-reliance, strengthened cooperation and common development," the Chinese president said.

Sultan Qabus hailed the efforts by China to help promote peace in the gulf, saying China, as a permanent member of the U.N. Security Council, has always played an important role in mediating the Iran-Iraq conflict either during the Iran-Iraq war or after a ceasefire was achieved.

Sultan Qabus said he believes that China will make more contributions to helping bring about an end to the Iran-Iraq conflict and promote peace and security in the gulf region.

Reviewing the rapid development of Sino-Omani relations, President Yang said China is ready to further boost cooperation with Oman in various fields.

Sultan Qabus lauded the "gratifying development" of the Sino-Omani relations over the past years, saying strengthened bilateral cooperation will benefit the peoples of the two countries.

At the talks Yang extended to Sultan Qabus an invitation to visit China and Qabus accepted the invitation with pleasure, saying he will visit China "at an appropriate time."

Yang's visit to Oman is the last leg of his four-nation Middle East tour which has taken him to Egypt, the United Arab Emirates and Kuwait.

Holds News Conference

*OW2712202489 Beijing XINHUA in English
1941 GMT 27 Dec 89*

[By Zhou Cipu and Yu Dabo]

[Text] Muscat, December 27 (XINHUA)—Visiting Chinese President Yang Shangkun today pledged to promote coordination and cooperation with Third World countries in striving for a new international political and economic order.

At a press conference, the president described his tour of Egypt, the United Arab Emirates, Kuwait and Oman as "a great success".

Yang said his tour has promoted understanding, friendship and cooperation between China and the four countries.

China and the four countries, Yang said, share the firm belief that a new international political and economic

order, based on the five principles of peaceful coexistence, is imperative for world peace and national stability and economic development.

The cooperation between China and the four countries is going upon each other's adherence to the five principles, the president noted.

"Our friendly cooperation has stood the test of time and is of great vitality," he said, adding that China will persistently promote and deepen such cooperation.

Yang arrived here Tuesday for a three-day visit to Oman, the last leg of his Middle East trip.

During the visits, he said, he has exchanged views with leaders of the four countries on bilateral relations and international issues of mutual concern.

"We share identical ideas on a wide range of issues," the president said.

Yang said he has formally invited the heads of state of the four countries to visit China and they have accepted the invitations.

Further on News Conference

*OW2812043989 Beijing XINHUA Domestic Service
in Chinese 0226 GMT 28 Dec 89*

[By reporters Zhou Cipu (0719 1964 2613) and Yu Dabo (0060 1129 3134)]

[Text] Muscat, 27 Dec (XINHUA)—Visiting Chinese President Yang Shangkun, in a press conference for Omani reporters this evening, reiterated that the Chinese Government's policy toward Hong Kong will remain unchanged. He asked the Omani reporters not to believe rumors on this matter.

President Yang Shangkun, in reply to a reporter's question, said that, in accordance with the Sino-British Joint Communiqué, China will reassume its sovereignty over Hong Kong in 1997. The basic principle for the settlement of the Hong Kong issue is one country, two systems. In other words, while the mainland practices socialism, Hong Kong may practice capitalism.

Yang Shangkun said: "For the sake of Hong Kong's prosperity and stability, we have decided that this policy will remain unchanged for 50 years," and "we are in the process of formulating the Basic Law of the Hong Kong Special Administrative Region, the precise purpose of which is to lay down in legal form both the principle of one country, two systems, and the promise that there will be no change in 50 years."

Answering a question about the situation in Eastern Europe, Yang Shangkun said that the East European countries have undergone profound changes in the recent few months. There are external as well as internal reasons for these changes. He said: It is up to the people of the East European countries to decide what course they will take ultimately. China has never interfered with

the internal affairs of other countries. China wishes to continue to maintain friendly relations with these countries.

Comparison of Yang Talks With Kuwaiti Amir *OW2612021789*

Beijing XINHUA Domestic Service in Chinese at 1514 GMT on 25 December carries an 856-character report on Chinese President Yang Shangkun holding talks with Kuwaiti Amir Jabir al-Sabah on 25 December.

The XINHUA Chinese report has been compared to the XINHUA English item published on pages 9-10 of the 26 December China DAILY REPORT and has been found to be identical except for the following variations:

Page nine, column two, paragraph two, only sentence reads: ...made the remarks during a tete-a-tete [xiao fan wei hui tan 1420 5400 0953 2585 6151] with Chinese President... (rewording, providing vernacular and STC's);

paragraph three, only sentence reads: ...invitation "with pleasure."

The talks were held in a cordial and friendly atmosphere. The two leaders... (adding sentence);

paragraph four, only sentence reads: ...The two leaders had an extensive exchange of views on bilateral relations and... (supplying new elements);

page 10, column one, paragraph three, only sentence reads: ...each other politically.

He said China... (deleting words);

paragraph four, only sentence reads: ...from each other and seek common development since each of them has its own economic advantages.

President Yang... (supplying new elements);

Last paragraph, only sentence reads: ...fields of cooperation.

He said: Kuwait and China share identical stands on major international issues.

Amir Jabir thanked China for its consistent and noble stand of supporting the Arab people's just struggle and expressed the hope that China will exert influence to promote peace between Iran and Iraq. (adding new paragraphs).

Jordanian Official Receives Radio, Film Group *OW2712193589 Beijing XINHUA in English* *1856 GMT 27 Dec 89*

[Text] Amman, December 27 (XINHUA)—The current visit to the Middle East by Chinese President Yang

Shangkun would have a positive effect on the struggle in the region, Speaker of the Senate Ahmad al-Lawzi said here today.

Receiving a Chinese radio and television delegation headed by Nie Dajiang, deputy minister of radio, film and television, Al-Lawzi praised the close ties that bind the two countries in all fields for being in the interest of the two peoples.

Al-Lawzi briefed the Chinese delegation on the intifada (uprising) staged by the Palestinian people against Israeli occupation over the past two years.

He expressed the hope that China, as one of the five permanent members of the United Nations Security Council, would play an effective role in the settlement of the Middle East conflict.

On his part, Nie conveyed to Al-Lawzi the greetings from the chairman of the Standing Committee of China's National People's Congress for his retaining the post as Senate speaker in Jordan.

China, Nie said, is calling for the convocation of an international Mideast peace conference under the auspices of the Security Council.

China also supports the just struggle of the Palestinian people as well as the efforts undertaken by King Hussein of Jordan for the realization of peace in the Middle East, he said.

The Chinese delegation arrived in Amman Monday for a week-long visit during which a protocol on cooperation in the field of radio and television between China and Jordan would be signed.

East Europe

President, Premier Congratulate Romanian Leaders *OW2712144889 Beijing XINHUA in English* *1436 GMT 27 Dec 89*

[Text] Beijing, December 27 (XINHUA)—Chinese President Yang Shangkun and Premier Li Peng sent congratulatory messages today respectively to Chairman Ion Iliescu of the Committee of the National Salvation Front of Romania and Romanian Premier Petre Roman.

President Yang Shangkun said in his message to Chairman Iliescu, "On behalf of the government of the People's Republic of China and in the name of myself, I congratulate you on your election as chairman of the Committee of the National Salvation Front of Romania.

"May the friendship between the people of China and Romania and the friendly relations between the two countries continue to develop," Yang said.

Premier Li Peng said in his message to Premier Roman, "On behalf of the government of the People's Republic of China and in the name of myself, I congratulate you

on your appointment as premier of Romania and hope that the friendly relations between the countries and people of China and Romania will continue to develop."

Dilemma Over Romanian Events Highlighted

*HK2712125089 Hong Kong AFP in English
1216 GMT 27 Dec 89*

[By Patrick Lescot]

[Text] Beijing, Dec 27 (AFP)—China's leadership, in recognizing Romania's new government as the "choice of the people," has underscored its own dilemma following its use of force in June against democracy protestors, diplomats and analysts here said Wednesday.

Tuesday's announced recognition of the new Romanian Government followed a specially convened weekend meeting of the Communist Party's Politburo to consider the consequences of Beijing's loss of its last ideological ally in Eastern Europe, Chinese sources here said.

Official buildings in Beijing were inexplicably lit-up into the wee hours early Sunday, witnesses said, while authorities stepped up surveillance of university campuses.

The moves illustrated the nervousness gripping the country's leadership following the ouster—and then the execution—of Romanian President Nicolae Ceausescu, a longtime friend of China's leadership who always made a point of stressing his independence from Moscow, analysts here said.

In the eyes of China's leadership, the insurrection in Romania holds all of the characteristics of a "counter-revolution" similar to this year's aborted democracy movement centred on Beijing's Tiananmen Square.

But China's leaders, in accepting the ouster of Mr. Ceausescu as "the choice made by the Romanian people," are flirting with "reversing themselves on the Tiananmen tragedy," a Western diplomat said.

However, the Politburo confirmed Sunday that it would not hesitate to forcibly put down any resurgence of pro-democracy protests, an informed Chinese source said.

Despite its show of unity around the hardline inner core of leadership, the Communist Party remains profoundly weakened following the Tiananmen massacre which left hundreds, and maybe thousands, dead, sources here said.

Analysts said the Romanian revolution would provide plenty of "ammunition" to both camps within the Chinese leadership—hardliners as well as reformists.

For the hardliners, the violence of the insurrection which led to Mr. Ceausescu's overthrow should justify tighter vigilance and stricter control by the security apparatus over a population believed in the most part to be hostile to the regime.

And members of the reformist wing of the party, still present but keeping their heads down since the

Tiananmen Square crackdown, for their part will be able to stress the explosive nature of China's political situation if no reforms are forthcoming, analysts said.

In the short term, analysts said, China's leaders are seeking to obscure Beijing's previously close ties with the Ceausescu regime, as illustrated by the announced dispatch to Bucharest of "humanitarian aid" through the Chinese Red Cross.

But in China's foreign policy, "the disarray is total," one Western diplomat said, noting that Beijing's sole remaining allies were Cuba and North Korea, both countries already isolated on the international scene.

The jitters affecting China's leadership have been fed by the evident emotion with which China's people followed—and cheered—the events rocking Romania, openly comparing the overthrow of Mr. Ceausescu to this May's Tiananmen Square demonstrations.

"That's all people are talking about, at work and at home," a Chinese worker said.

The victory of Romania's rebels prompted widespread rejoicing on the campus of Beijing University, a hotbed of this year's democracy activism, sources said.

Contrary to the public pronouncements, the events in Romania are still being presented by political commissars in charge of strengthening the ideological backbone of the party and people as the work of "imperialism" seeking to peacefully undermine the socialist bloc, Chinese sources said.

Yao Yilin, one of the six members of the Politburo's Standing Committee, recently told a French visitor that Eastern Europe's communist parties had long been undermined by "social democratic tendencies," while the Chinese communists were the "last true Marxists."

Latin America & Caribbean

Uruguayan President-Elect Meets Ambassador

*OW2412142689 Beijing XINHUA Domestic Service
in Chinese 0659 GMT 23 Dec 89*

[Text] Montevideo, 22 Dec (XINHUA)—Luis Alberto Lacalle, president-elect of Uruguay, today met here with Yang Xujiang, Chinese ambassador to Uruguay. He said the economic and trade relations between Uruguay and China are "very important," and that the new government will strengthen developing relations with China in this area.

Ambassador Yang conveyed the greetings of Chinese leaders to Lacalle and said China wants to continuously develop relations with Uruguay. The meeting was held in a friendly atmosphere.

China and Uruguay established diplomatic relations in 1988. Bilateral relations have been developing smoothly since the establishment of diplomatic relations. China now is the number one buyer of Uruguay's wool and its

third trading partner. Lacalle said China's import of Uruguay's wool has the "relief" effect to Uruguay's wool export. Wool is the major export product of Uruguay.

When talking about the Taiwan issue, Ambassador Yang reiterated to Lacalle the principle and stand of China; that is, there is only one China and Taiwan is a part of China's territory.

Economic Cooperation Accord Signed in Havana

*OW1712010789 Beijing XINHUA Domestic Service
in Chinese 1722 GMT 15 Dec 89*

[Text] Havana, 14 Dec (XINHUA)—A Sino-Cuban economic cooperation accord was signed in Havana today.

According to the accord, China and Cuba will carry out cooperation in agriculture, fishery, and sugar refining, as well as in the light, food, textile, electronics, and machine-building industries.

Zheng Tuobin, Chinese minister of foreign economic relations and trade, who is here to attend a meeting of the Sino-Cuban Economic Cooperation Mixed Committee; and [Ricardo] Cabrisas, Cuban minister of foreign trade, signed the accord on behalf of their governments.

Beijing Games, Colombian Group Sign Agreement

*OW2012214289 Beijing XINHUA in English
1538 GMT 20 Dec 89*

[Text] Beijing, December 20 (XINHUA)—An advertising agreement between Colombian coffee organization and the fund raising department of the 11th Asian Games was signed here today.

According to the agreement, the Colombian organization will pay 1.7 million U.S. dollars to the Beijing games which will be held from September 22 to October 7.

Jose Maria Gomez, ambassador of the Republic of Colombia, and Zhang Baifa, vice-president of the games organizing committee were present at the ceremony.

Political & Social

Security Forces on Alert After Ceausescu Ouster

OW2812091489 Tokyo KYODO in English
0840 GMT 28 Dec 89

[Text] Tokyo, Dec. 28 KYODO—China's Communist Party leadership has revoked a decision to lift martial law in Beijing because of fears of a recurrence of pro-democracy demonstrations following the downfall of Romanian leader Nicolae Ceausescu, informed Chinese sources said Thursday.

The sources also told KYODO NEWS SERVICE that the party leadership has instructed martial law troops and public security authorities to be put on strict alert particularly in college districts in northwestern Beijing.

The sources said unidentified students from such major universities as Beijing University and Qinghua University had published wall newspapers detailing the collapse of the Ceausescu regime in Romania and calling on readers to learn from the incident.

The party leadership was originally scheduled to announce the lifting of martial law last Saturday, the sources said.

But the leadership postponed the announcement after Ceausescu, a former staunch ally of China, was ousted in the wake of a bloody uprising.

Authorities then ordered security forces to be on full alert, the sources added.

The militia in charge of security are free to take any necessary measures in regulating meetings, demonstrations and wall newspapers under the terms of the alert, the sources said.

Meanwhile, government spokesman Yuan Mu was embarrassed several times by student protests during a dialogue with some 300 students on developments in Romania and China at Beijing University Wednesday, another Western informed source said Thursday.

Li Peng Addresses State Council Plenary Session

HK2712145089 Beijing ZHONGGUO XINWEN SHE
in Chinese 1336 GMT 27 Dec 89

["State Council Holds Seventh Plenary Session"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing 27 Dec (ZHONGGUO XINWEN SHE)—The Seventh Plenary Session of the State Council was convened here at Zhongnanhai this morning, with Premier Li Peng presiding. The session listened to reports on the conditions of the 1989 domestic economic development and the current world situation.

Li Peng reviewed the accomplishments and existing problems in improvement and rectification over the past

year or so, analyzed the world situation and China's policy regarding it, and made arrangements for major work for the coming year.

Li Peng said that initial results have been scored in implementing the principle of improving the economic environment, rectifying the economic order, and deepening reform, with the goal proposed at the beginning of the year basically fulfilled. The momentum of rocketing prices has been kept under control, with the price-rise range somewhat lower than last year. Despite natural calamities in some areas, China has managed to reap a good harvest this year. In the balance of the general volumes in the national economy, the over-heated economy has cooled off, the major proportional relationship improved, and the entire national economy is developing in a favorable direction.

Having made an analysis of the world situation, Li Peng pointed out that regarding foreign relations, China must adhere to the peaceful foreign policy characterized by independence and taking the initiative in its own hands. The Chinese Government is willing to develop friendly relations with all countries in the world on the basis of the five principles of peaceful coexistence. No matter what happens in some other countries, China will always adhere to the principle of nonintervention in their internal affairs and the internal affairs of other political parties and it will show respect for the choice of the people in other countries. No matter what changes take place in the world we should firm up our own faith, adhere to the socialist orientation and the principle of reform and opening up to the outside world, and do a good job of our work in a down-to-earth way. Talking about the economic problems China is currently facing, Li Peng said: To overcome economic difficulties we must concentrate our attention on three aspects: We must make special efforts to effect a readjustment of the enterprise product mix in the process of readjustment of the production structure; we must improve our financial work and use the funds available in a more timely and flexible manner while upholding the double deflation principle; and we must give full play to the role of state-run commercial establishments as the main circulation channel, reduce overstocking of commodities, and explore the market.

Referring to next year's economic work, Li Peng said: The general requirement remains the same—we are required to step up the economic improvement and rectification operation, further the reform in depth, and thus ensure a sustained, steady, and harmonious economic growth. Next year we will maintain a moderate economic growth and will cautiously implement reformatory measures while keeping inflation under control. We will tap the resources of all sectors to strive for a good harvest in agriculture and try to further reduce the scale of capital construction, inhibit consumption desire, and increase our economic regulation ability. He said: In order to promptly resolve major problems regarding production the State Council has decided to set up a

production committee whose operational organ will be placed under the State Planning Commission.

Li Peng said: All the reformatory measures that have already been introduced must be kept relatively stable and will be modified, improved, supplemented, and readjusted, but there will be no remarkable changes.

Shanghai Elects Jiang Zemin NPC Deputy

OW2812132489 Beijing XINHUA Domestic Service
in Chinese 1240 GMT 28 Dec 89

[By reporter Chen Maodi (7115 3029 1717)]

[Text] Shanghai, 28 Dec (XINHUA)—Jiang Zemin, general secretary of the CPC Central Committee, was elected deputy to the 7th National People's Congress at a by-election held by the 13th Session of the 9th Shanghai Municipal People's Congress Standing Committee today.

The by-election was held in accordance with Article 42, Section 3 of the "Electoral Law for the National People's Congress and Local People's Congresses at Various Levels of the People's Republic of China," which reads "when the local people's congresses at and above county level are not in session, by-election of deputies to the people's congresses at the next higher level may be held by the standing committees of the people's congresses at the same levels."

Jiang Zemin, Li Peng Meet Police Delegates

OW2812105689 Beijing XINHUA Domestic Service
in Chinese 0941 GMT 28 Dec 89

[Text] Beijing, 28 Dec (XINHUA)—Jiang Zemin, general secretary of the CPC Central Committee and chairman of the Central Military Commission, and Li Peng, member of the Standing Committee of the Political Bureau of the CPC Central Committee and premier of the State Council, cordially met with all the comrades attending an enlarged meeting of the party committee of the Chinese People's Armed Police Force in the Great Hall of the People this afternoon.

On behalf of the party Central Committee and the State Council, Li Peng first expressed his lofty respect for all commanders and fighters of the Armed Police. He said: In late spring and early summer this year, the Armed Police Force performed meritorious service for the state and the people during the struggle to stop the turmoil and quell the counterrevolutionary rebellion, just as the People's Liberation Army [PLA] did. I hereby express my heartfelt thanks to you.

Li Peng emphasized that our Armed Police Force is a component part of the people's armed forces, and it is a force under the leadership of the party and loyal to the people. He pointed out: The rebellion has been quelled and the situation in our country has become stable, but the struggle is protracted and we must not relax our effort even in the slightest degree.

Li Peng expressed the hope that the Armed Police will continue to carry forward our army's glorious traditions, pay attention to study, raise political awareness, step up training, improve vocational skills, heighten vigilance at all times, and wage a resolute struggle against any hostile forces that are attempting to subvert the socialist system and threatening the security of the motherland.

Jiang Zemin said that he completely agreed with Li Peng, and he encouraged the commanders and fighters of the Armed Police to win greater victories in the new struggle.

The enlarged meeting of the party committee of the Armed Police Force began in Beijing on 25 December. More than 200 responsible comrades of all armed police corps; armed police schools; armed police commands of forestry, communications, water resources and electric power, and gold mining industry departments; and border defense and fire-fighting bureaus are attending the party meeting.

Other leading comrades present at the central leaders' meeting were Liu Huaqing, vice chairman of the Central Military Commission; Yang Baibing, secretary general of the Central Military Commission; Wang Fang, first political commissar of the Armed Police Force; Chi Haotian, chief of General Staff of the PLA; Zhao Nanqi, chief of the PLA General Logistics Department; Li Lianxiu, commander of the Armed Police Force; and Zhang Xiufu, political commissar of the Armed Police Force.

Jiang Zemin, Li Peng Greet Economics Society

OW2712072489 Beijing XINHUA in English
0640 GMT 27 Dec 89

[Text] Beijing, December 27 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, and Premier Li Peng have expressed hope that the China Industrial Economics Society (CIES) will continue to play a role as a bridge between the government and grassroots industrial enterprises.

In a letter and an inscription written by the two Chinese leaders, Jiang and Li extended their congratulations on the opening of the national meeting of CIES which began yesterday.

Jiang said it is of great importance to do good work in industry in order to promote long-term, stable and coordinated development of the national economy.

He said that over the past two years CIES has made many constructive opinions and suggestions to the government on how to bring the big and medium-sized enterprises owned by the state into full play.

In his inscription, the Chinese premier expressed hope that CIES will make new contributions to raising economic efficiency, promoting technological progress, and improving management and the industrial and production structure.

Since its founding more than a year ago, CIES has signed up more and more industrial and economic experts and scholars, more than 70 national organizations of special industries and over 170 big industrial enterprises. CIES branches have been set up in some provinces and municipalities.

CIES President Lu Dong gave a report on the strategic turning point of Chinese industrial development at the meeting.

State Council on Personnel Appointments, Dismissal

OW2812053089 Beijing XINHUA Domestic Service
in Chinese 0225 GMT 28 Dec 89

[Text] Beijing, 28 Dec (XINHUA)—The State Council appointed or removed the following state personnel from 2 to 19 December 1989:

Gui Shiyong was appointed vice minister of the State Planning Commission, Zhang Youcai [1728 0147 2088] vice minister of finance, Zhao Zongnai concurrently vice minister of personnel, Shi Xiyu vice minister of railways, and Liu Shuqing concurrently director of the State Council Office of Foreign Affairs.

Qian Yongnian was removed from his position as director of the State Council Office of Foreign Affairs.

Li Ruihuan Speaks on Ideological, Political Work

OW2712144189 Beijing XINHUA Domestic Service
in Chinese 0012 GMT 27 Dec 89

[Speech by Li Ruihuan, member of the Standing Committee of the CPC Central Committee Political Bureau: "Bring Into Play the Important Link—Our Political Strengths"; given at an 8 November symposium on ideological and political work at Beijing, Tianjin, and Shanghai enterprises and published in DANGJIAN issue No 1 for 1990]

[Text] You comrades have expressed a lot of good views at this symposium about ideological and political work at enterprises. As an attendee, I should also like to share with you some of my views.

First, we must attach great importance to and intensify ideological and political work at enterprises. First of all, because Comrade Zhao Ziyang weakened or diluted ideological and political work, bourgeois liberalization has become rampant in recent years. There has been a lot of confusion on many issues. Assertions made on some issues are either in conflict with each other or confused and unclear. Efforts should be made to quickly study and clarify these issues and come up with a precise formulation. Second, after several months of education among the people following the political storm in late spring and early summer this year, the majority of them are able to look at the storm correctly, but it is undeniable that some comrades still have certain mental hang-ups that must be dealt with. Why did the political storm occur? Fundamentally speaking, it was caused by certain hostile forces

overseas which carried out planned and organized conspiracies against us by spreading ideas of bourgeois liberalization in an attempt to overthrow our party and socialist system. Meanwhile, we must also admit that the masses were indeed dissatisfied with us for the mistakes we made in recent years and their dissatisfaction could be observed during the storm. While we must harshly punish those conspirators, organizers, heads of illegal organizations, beaters, smashers, looters, burners, killers, and other criminals, firmly strike at them, and never be kind and lenient to them, we must, and we can only, educate and win over the vast number of people who were dragged into the storm. These people should primarily educate themselves, sum up their experiences, and learn their lessons. If they cannot be enlightened for the time being, we can wait. In short, we must be able to win them over and unite the majority of them. Only by doing this can the extremely small number of villains be isolated. If this view stands, then we must do a great deal of patient and meticulous work among different people so as to remove their mental hang-ups and help them heighten their political consciousness. Third, such formidable tasks as economic retrenchment and deepening reform require the powerful support of ideological and political work. While our economic construction and reform and open policies are enormously successful, we have encountered serious difficulties and problems while making progress. The party Central Committee has been studying how to deal with the economic difficulties and it will draw up guiding principles and come up with principal projects and fundamental measures so that economic retrenchment and reform can continue to proceed. To extricate China from the economic impasse so that its economic development can proceed in a sustained, steady, and coordinated manner, the state will make certain strategic readjustments. This is very essential. For example, we must tighten expenditures and we will call on the people to lead an austere life for a few years, mobilize the local governments to give their financial support for the central government, and so forth. But these measures alone are not enough. We must also have strong party leadership; the initiative of party members; and in-depth, meticulous and effective ideological and political work.

Socialism is superior to capitalism in many respects. The most important of these lies in the fact that the people are the real masters of their socialist society and socialist enterprises. A socialist enterprise must make efforts in many areas in order to develop, such as adopting advanced technology, carrying out technical renovations, modernizing the management, and improving the system under which the director can discharge its responsibilities. The most fundamental requirement, however, is to heighten the workers' consciousness so that they can give full scope to their initiative, enthusiasm, and creativeness. In fact, this is the ultimate objective of enterprise reform. The people are the ones who actually do the work and the ones who have the knowledge. We often say that knowledge comes from practice. This practice refers to social practice and the

practice of the people. The wisdom of our party comes from the practice of the people in remolding the world. The people constitute the force that drives history forward. The people, in the final analysis, are the force that determines the historical state and the direction in which it develops. Reforms are activities of the people in creating history. Serving the people wholeheartedly is the highest goal of our party and the people are recipients of our service. Thus, bringing our political strengths into play and intensifying ideological and political work in order to give full scope to the people's initiative should be the starting point as well as the objective of doing ideological and political work at enterprises.

Intensifying ideological and political work is an important link in bringing our political strengths into play. The political strengths we talk about are something our party learned during the protracted course of revolution and construction under the guidance of Marxism-Leninism-Mao Zedong Thought. They are one of the important characteristics that differentiate Chinese socialism from capitalism. In modern Chinese history, beginning with the Opium War in 1840, China had long been a victim of imperialist aggression, enslavement, and exploitation. During a period that lasted more than a century, the Chinese people mainly devoted their efforts to fighting for national independence and emancipation and national survival and could spare no efforts for economic and cultural construction. That was why we were falling behind the West in the economic, scientific, technological, cultural, and educational fields. This is totally understandable. However, we must also realize that, during the arduous, century-long struggle in which the Chinese people made great sacrifices and paid enormous prices, we also have gradually accumulated a whole set of useful experiences. In Tianjin I told foreigners: We can learn your experiences, but you cannot learn ours. I was referring to our political strengths, and ideological and political work is an important part of the political strengths. Today certain problems arising from our economic and social development cannot be very successfully resolved. While there are many reasons for this, one very important reason lies in our inadequacy in studying how to give full scope to our political strengths. Take our poor public order, for example. I think that, in addition to lack of modern equipment needed for maintaining public order, the more important reason lies in the fact that we have neglected doing ideological and political work among people. Thus, giving full play to our political strengths, intensifying ideological and political work, and intensifying education among people are highly outstanding and urgent tasks as well as our traditional forte.

Second, what is the goal of ideological-political work? Your briefing says the goal is to implement the party's fundamental line in the initial stage of socialism and to build socialism with Chinese characteristics. This is, of course, correct. However, if we speak specifically of ideological-political work today, then it is aimed at raising the ideological consciousness of the vast numbers

of workers and at getting rid of the knots or hang-ups in the minds of the broad masses of people and workers in order to boost their morale to make them unite closer with each other and work harder to realize the goals set by the Central Committee. It is also aimed at educating the workers in the course of their struggle to realize the goals set by the Central Committee. In other words, ideological-political work is aimed at transforming their subjective world at the same time they are transforming the objective world. This is precisely like what some comrades have just said, namely, the goal of our enterprises is not simply to produce material products but also to produce a spiritual product and to bring up a generation of new persons. It is also as we said in the past, namely, we must accomplish the dual tasks of building both the material and spiritual civilizations.

To achieve better results from ideological-political work in our enterprises, we must make efforts to seriously study ways to make its forms and methods compatible with the objective reality today. The first question we encounter in ideological-political work is the issue of strengthening it. This is because without strengthening ideological-political work, making its forms and methods compatible with the objective reality is out of the question. On the other hand, if we do not successfully resolve the question of compatibility, we will not be able to achieve the goal of strengthening it. If we stress only the importance of ideological-political work without taking into account the many particular circumstances today and without seriously studying how to conduct our ideological-political work in a way receptive to the masses, we will not be able to obtain the expected results from our ideological-political work. Our dispute with Comrade Zhao Ziyang on the question of ideological-political work involved, first of all, the question of whether or not to strengthen it. However, in arguing about the question of strengthening, we do not deny that there is also a question of compatibility. We admit that ideological-political work today is in many ways different from that in the past. Changes have taken place not only in the object, contents, forms, and methods of ideological-political work and in the ranks of ideological-political workers, but also in its external environment and conditions. Under these new historical conditions, the question of deepening ideological-political work involves indeed the question of studying the new circumstances, resolving the new problems, and adapting it to the new environment. In the process of strengthening ideological-political work, we should more consciously seek to resolve these questions step by step.

We have many traditional ways and means to conduct ideological-political work that have proved effective in the past. There are at least several which have left a deep impression on me. The first was to organize daily study and propaganda, including the study of theories, the central guidelines and reports, and current events. The second was to conduct deep-going, meticulous ideological work on a few individuals. This was one of the tactics we employed most effectively in the past. In this

case, the party organization would rely on its core members to analyze the mental state and feelings of different individuals and help them get rid of the hang-ups, remove their anxieties, and overcome the difficulties. There was a complete system of doing this in the past. For example, there was the method of what was called using the right key for the particular lock. I remember the time when I summarized the experience of helping those lagging behind the others. The practice was called having a key made to fit the particular lock. If the lock was rusty, the helper would apply lubricant first and then boldly work on the person to cultivate his self-esteem. Ideological problems were likened to locks. The lock came first, and the key was then made to fit the lock. Lubricant was necessary for those who lagged far behind, and was difficult to handle. You must apply some lubricant in such cases and then try the key slowly. You must not be too hasty; otherwise, the key would break. The third was to launch all kinds of activities to learn from the advanced. It called for setting up advanced models among the masses and launching self-education activities among the masses, such as the drive to emulate the advanced, learn from and overtake them, and help the least advanced. The fourth was to bring into play the core, leading role of the CPC and Communist Youth League members and the model figures and use them to bring along and influence the broad masses to advance in the direction pointed out by our party. The fifth was to launch all kinds of activities loved by the masses and educate the masses by means of these activities, such as ball games and play and film appreciation. The sixth was to incorporate our concern for the livelihood of the masses into our ideological-political work. I wonder which of these methods are still practicable today and which require changes to add new elements and new approaches to make them practicable, as we do with the traditional Chinese medicine. We must not only accuse people of lagging behind; we must carefully study our ways and means.

I feel that perhaps we ought to observe a fundamental principle in conducting ideological-political work, namely, we must rely primarily on self-education and on education by positive examples. Generally speaking, everyone has strong and weak points, merits and shortcomings. The two often complement and accompany each other. Sometimes, the strong points are the cause of the weak points; sometimes, the weak points are the outcome of the strong points. The responsibility of ideological-political workers and leading cadres is to observe a person's strong points and merits first and to make up for and overcome his weak points and shortcomings in the process of bringing into full play his strong points and merits. Their responsibility is not to seize on his weak points and shortcomings to subjugate him. Politically, the masses are, after all, the very people we serve. Theoretically speaking, the ideological awareness of the masses is a question that must be resolved, after all, by the masses themselves. Criticism and self-criticism are our party's fine traditions. The purpose of conducting criticism is to help the criticized conduct

self-criticism. If the criticized fails to make self-criticism, he will not be able to truly correct his mistakes. We still lack experience and still lag far behind in our search for ways to conduct self-education and education by positive examples, to conduct different kinds of lively and colorful activities—activities that are full of imagination and loved by the masses—and, in the process, subject them to imperceptible influence.

We all know that the doctrine of Confucius and Mencius was prevalent during the feudal period in China. It has its own negative effects, which are not what I want to talk about here. Anyway, its influence penetrated everywhere, from operas, story telling, and chatting to various kinds of books, particularly those published after the Southern Song Dynasty, such as "Nu Er Jing" ["Classic for Daughters"], "Shen Tong Shi" ["Poems by Child Prodigies"], "Zhi Jia Ge Yan" ["Maxims for Household Management"], "San Zi Jing" ["Trimetrical Classic"], and "Qian Zi Wen" ["Thousand-Character Classic"]. Even in remote, backward villages, old women who had never read any books in their lives would talk about loyalty, filial piety, moral integrity, justice, God, sins, etc., when two or three of them met at street corner and had a chat. The doctrine of Confucius and Mencius had become widely known throughout our feudal society after thousands of years of dissemination and edification. In contrast, we have done poorly in our propaganda campaign and moral education. In the future, we must step up our effort in this aspect. We should try, through various mass activities, to instill in our people patriotism, collectivism, socialism, and communism. This is a big social project and we must set our mind to accomplish it. We have better means now than in the feudal period and we definitely can do better, too.

Some specific issues were also brought up at the meeting; for example, how should the enterprise law be approached? How should the so-called "center" and "core" be interpreted? etc. Since the 4th Plenary Session of the 13th CPC Central Committee, the party Central Committee has talked a lot about how to step up ideological and political work. The main point of all the talk is to urge party committees in enterprises to concentrate their effort on ideological and political work and thus share part of plant directors' responsibilities. Since party committees have both the staff and experience for the task, they can do a very good job in this. There is no point in arguing whether the "center" is larger than the "core." Be it a "center" or "core," everyone should be of one heart. A document presented at the organization meeting mentions that middle-level cadres in enterprises shall be nominated by plant director, discussed and decided by party committee, and then appointed by plant director. This does not affect plant directors' authority to nominate and appoint at all; it only asks that the nomination be discussed by enterprise party committees. Since the majority of plant directors are themselves party committee members, they should not feel uncomfortable with the document. Decisions made after discussion by party committees are better than those made

by plant directors themselves only. For example, if I were to be appointed as plant director, it would be all the better that the decision were made through discussion. If a plant director has nothing to hide from others, intends no dishonest practices, and shuns departmentalism, there should be no problem with having his or her nomination put on the table to be discussed by a party committee. We now have many problems with personnel decisions made by plant directors only. Of course, if enterprise party committees try to take care of everything, big and small, we will have problems, too. Party committees, on the one hand, have to respect plant directors' authority and try not to go back to old practices of doing the plant directors' job. On the other hand, however, they should also sum up the experience of the past few years and play their proper role in enterprises. The result, then, will be that party committees are in charge of ideological and political work and plant directors can devote themselves to production and management. I believe there will be many advantages if we do it this way. I hope you will sum up your experience and try to settle this issue properly as soon as possible, as it will be of great significance to maintaining stability and ensuring smooth economic readjustment at this point in time in our country.

Organization Official on CPC Role in Enterprises

OW2412025189 Beijing XINHUA in English
0155 GMT 24 Dec 89

[Text] Beijing, December 24 (XINHUA)—A leading official of the Organization Department of the Central Committee of the Communist Party of China (CPC) outlined, in an interview with XINHUA today, a number of major problems encountered by party committees at many industrial enterprises in recent years.

On the party's role in enterprises, the official said that primary party organizations are the political core of all enterprises. This was decided by the party's position, nature and the historic tasks it undertakes.

He gave three reasons for this.

In the first place, the CPC is the vanguard of the working class. So party organizations in enterprises should be the core which unites all workers to implement the party's basic line and ensures enterprises keep to a socialist orientation.

Secondly, the CPC, as a ruling party, will exercise its leadership through thousands of primary party organizations in addition to central and regional party committees. Only if the party branches in enterprises give full play to their roles as the "fighting bastion" and party members play an exemplary role, can the party's line, principle and policies be thoroughly carried out.

Thirdly, enterprises in socialist China should produce high quality products and turn workers into people with

lofty ideals, communist morality, culture and discipline as well. Enterprise party organizations will take the latter as their major tasks.

Therefore, the party's role as the political core in enterprises will not weaken the factory director responsibility system. Instead it is conducive to perfection of the leading body in enterprises.

Referring to the responsibilities and tasks of party organizations in enterprises as the political core, the official said the primary party organizations should guarantee and supervise implementation of all principles and policies of the CPC Central Committee and the state, take charge of the political and ideological work, strengthen management, examination and promotion of office workers, especially leading officials, guide the work of workers' congresses, trade unions and Communist Youth Leagues, put forward opinions and suggestions on major problems in enterprises and help bring the role of party branches and their members into full play.

On the relations between the political core of the party and the central leadership of the factory director, the official said the political core of the party deals mainly with political and ideological work. The factory director, as the sole legal person in enterprises, will take charge of overall production and management. The two should be and can be combined and united organically. So long as the party and managerial leading officials in enterprises support and respect each other and make concerted efforts, they can run the enterprises well.

On appointment and dismissal of middle level administrative officials of enterprises, the official said the factory director has the right to appoint and dismiss middle level administrative officials according to China's enterprise law. But, appointments and dismissals should follow necessary procedures. Under common practice, administrative officials are nominated by the factory director, recommended by the enterprise party committee and appointed by the director after joint discussion by party and managerial officials.

Song Jian Attends Liaoning Enterprises Meeting

SK1512040689 Shenyang LIAONING RIBAO
in Chinese 26 Nov 89 p 1

[Text] From 17 to 18 November, the provincial government instructed the provincial Science and Technology Commission and the provincial Commission for Restructuring the Economy to jointly hold a meeting to exchange experiences in building enterprises leading in science and technology. At the meeting, the provincial government commended the first group of 28 provincial-level enterprises leading in science and technology and presented certificates and bronze plaques to them.

Song Jian, state councillor and minister of the State Science and Technology Commission, and Zhu Lilan, vice minister of the State Science and Technology Commission, attended the meeting. Also attending the

meeting were Zhang Zhiyuan, vice chairman of the provincial People's Congress Standing Committee, and Yue Weichun, vice chairman of the provincial committee of the Chinese People's Political Consultative Conference [CPPCC].

Comrade Song Jian addressed the meeting. He fully affirmed Liaoning Province's practice of building enterprises leading in science and technology. He said: Since the promulgation of the CPC Central Committee's decision on reforming the structure of science and technology in 1985, all localities have actively explored new ways to combine science and technology with economy. Making science and technology strike root in the economy and comprehensively making them enter the main front of economic construction are not only the tasks of scientific and technological structural reform departments but are also the tasks of the economic departments, particularly the tasks of large and medium-sized enterprises. The activities of building enterprises leading in science and technology conform to the guidelines of the 5th Plenary Session of the 13th CPC Central Committee which ended not long ago. The communique issued at the fifth plenary session clearly set forth that in order to raise economic results, we must rely on scientific and technological progress. Along with the vigorous development of the new technological revolution of the world, science and technology have played a more distinct and important role in economic development and in the progress of society. Regardless of what we do, including overcoming our country's current economic difficulties, guaranteeing a sustained, steady and coordinated economic development, and realizing the magnificent goal of socialist modernization, we must place the work of promoting scientific and technological progress in a very important strategic position. In order to make science and technology enter enterprises and make enterprises rely on science and technology to achieve progress, we must have specific policies, measures and methods. Liaoning's activities on building enterprises that lead in science and technology meet the needs of enterprise development and keep pace with the steps of enterprises. In addition, these activities have also enabled scientific and technological work play a part in the main front of enterprises.

Comrade Song Jian stressed: To conduct the activities of building enterprises leading in science and technology, we must depend on science and technology to promote enterprise technological transformation and the readjustment of the production set-up, raise labor productivity, improve product quality and the competitive ability of products, and enable our enterprises to enter new stages all the time. I hope that all participants will continue to sum up experiences, strengthen exchange activities, and enable more and more enterprises to realistically enter the path of relying on science and technology to achieve progress.

In addressing the meeting, Vice Governor Wen Shizhen said: Since the beginning of this year, our province has met with unprecedented difficulties in its economic

work. How can the old industrial base of Liaoning be made to extricate itself from a predicament and revitalize, in the face of such a severe economic situation? There is only one way out. That is, we must rely closely on scientific and technological progress, raise the level of industrial production technology and the level of modernized management, lower material consumption, increase the additional value of products through technology, and raise the competitiveness of products. This means that we must rely on science and technology to achieve good economic results and to find a way out. This is the key to making Liaoning extricate itself from a predicament and to invigorating its economy. Therefore, in September last year, the provincial party committee and the provincial government put forward the decision of "revitalizing the province with science and technology." This has given a great impetus to the province's scientific, technological and economic development. Although we are just in an initial stage, these activities which serve as one of the important strategic measures for promoting our province's economic development and which serve as the major strategy covering the whole province's economic development have been actively responded to by all trades and professions throughout the province. The next tasks are to display the role of science and technology in the main front of economic construction, to fully display the tremendous potential and superiority of science and technology and to revitalize the old industrial base of Liaoning.

Song Jian Addresses Henan Development Meeting

*HK1412121989 Zhengzhou Henan Provincial Service
in Mandarin 2300 GMT 11 Dec 89*

[Excerpts] The fourth meeting on economic development of impoverished areas in the Dabie Shan opened in Nanyang, Henan Province, yesterday. More than 200 representatives from more than 10 provinces, including Henan, Hubei, and Anhui, and from more than 20 departments under the State Council attended the meeting. Song Jian, state councillor and minister of the state scientific and technological commission, Guo Shuyan, vice minister of the State Scientific and Technological Commission, and some other leading comrades were also present at the meeting.

The main theme of this meeting is to conscientiously convey and study the decision adopted by the 5th Plenary Session of the 13th CPC Central Committee and the decision recently announced by the State Council on invigorating agriculture with science and technology, to sum up experience in aiding impoverished areas over the past 5 years, and to work out a guideline for the next 5 years.

During the opening session, Cheng Weigao, governor of Henan Province; Zhang Huainian, vice governor of Hubei Province; and Zhang Runxia, vice governor of Anhui Province, respectively briefed the participants on the measures taken by major impoverished counties of

their own provinces, their experience, their achievements, and their future plans. Comrade Song Jian delivered an important speech.

On 12 and 13 December, the participants will meet to exchange experiences.

Yesterday the participants visited an exhibition of achievements of Nanyang Prefecture under the program of invigorating agriculture with science and technology, and toured Nanyang University founded by Nanyang Prefecture on their own and Nanyang Alcohol Distillery, the largest alcohol distillery of China.

During the meeting, Song Jian, state councillor and minister of the state scientific and technological commission emphasized: Our efforts to help extricate the impoverished areas in the Dabie Shan from poverty over the past few years have shown that in order to develop impoverished areas, we must resolutely give full play to scientific and technological progress. [passage omitted]

He said: It is necessary to link our efforts to fight poverty with our goal of economic development scheduled for the turn of the century, develop a socialist commodity economy propped up by science and technology, inspire the peasants to say farewell to natural economy and learn new modes of production, and attach importance to the development of backbone production lines. While developing the rural economy, we must carry on the reform further in depth and develop a new economic mechanism, so as to foster and accommodate a large number of scientific and technical personnel.

Comrade Song Jian specially pointed out: In invigorating the economy of impoverished areas, we must set store in technical training for educated youths and family planning in rural areas.

Addressing the meeting, Governor Cheng Weigao said: During the economic readjustment period, the government's policy on aiding impoverished areas and other preferential policies, the amount of fund appropriations to impoverished areas, the amount of all kinds of investment, the preferential policy toward scientific and technical personnel, and the policy for encouraging, supporting, and guiding township and town enterprises will all remain unchanged.

Cheng Weigao also noted: In order to extricate impoverished areas from poverty, apart from relying on policies, science and technology, and investment, we must also set great store in family planning.

Governor Cheng Weigao first reviewed the achievements made and the principal measures taken by the seven major impoverished counties in the Dabie Shan mountainous zone in invigorating local economy. He said: Since 1984, under the guidance of the leading group for developing economy in impoverished areas under the State Council and the State Scientific and Technological Commission, the provincial party committee and government have strengthened leadership and taken some

measures to step up economic development in impoverished areas, especially in impoverished counties in the Dabie Shan. These efforts have brought about tremendous changes in the Dabie Shan mountainous areas. [passage omitted] The livelihood of the people in the impoverished areas have also been substantially improved. Now over 85 percent of the 30 major impoverished counties in this province have been supplied with sufficient food and clothing. The peasants' annual per-capita income has increased by 85 percent over 1985. Of the seven major impoverished counties in the Dabie Shan mountainous area, four counties, namely, Tongbai, Xinyang, Luoshan, and Guangshan, have attained the minimum living standard 2 years ahead of schedule, and the three other counties are expected to solve the problem this year. The annual per-capita net income of these seven counties will reach 351 yuan, the annual income growth rate is between 20 and 30 percent or even will exceed 30 percent, and over 90 percent of the people there are now supplied with sufficient food and clothing. [passage omitted]

Chen Junsheng Meets With Henan Officials

HK1812021389 Zhengzhou Henan Provincial Service
in Mandarin 2300 GMT 14 Dec 89

[Text] State Councillor Chen Junsheng emphasized in Nanyang on 13 December that the program of invigorating the economy with science and technology is a big project. We must unswervingly make efforts in this direction and we are bound to achieve great success in 3 to 5 years or in 6 to 7 years, he said. With regard to water conservation works, we must never act with haste. Instead we must stress quality and economic results, treasure human resources, and do away with all window dressing.

Comrade Chen Junsheng made these remarks on the evening of 13 December when briefed on their work by the leading comrades of the Nanyang prefectural party committee and the Nanyang prefectural administrative commissioner's office. He said: I am very interested in your program of invigorating local economy with science and technology. This is a big project. You must unswervingly keep up your good work. You should accomplish several practical tasks each year, gradually accumulate experience and work out a set of methods, and always keep the policies stable. You are bound to achieve great success if you can persist in your efforts for 3 to 5 years or for 6 to 7 years. In this way, I am sure you will build the Nanyang Basin into a cornucopia.

The leading comrades of the Nanyang prefectural party committee and prefectural administrative commissioner's office told Comrade Chen Junsheng that they had chosen to build the prefecture after the mode of all-round development based on an agriculture-light industry production structure. Chen said: You have made a very good decision in choosing this agriculture-light industry production structure. In making this decision you have based economic development on local natural resources.

The leading comrades of the Nanyang prefectural party committee and prefectural administrative commissioner's office told Comrade Chen Junshen that this year the prefecture had started water conservation works early and on a large scale, and the quality of projects was good. Chen said: You have done a good job in water conservation works. But you must never act with precipitation, instead you must stress quality and economic results, apply science and technology, and treasure human resources. The greater enthusiasm the masses are showing and the more people are mobilized, the more caution you must use. You must look after the progress of the works carefully and do away with all window dressing.

Enterprise Inspection Teams Visit Provinces

OW1712070289 Beijing XINHUA Domestic Service
in Chinese 0949 GMT 12 Dec 89

[By reporter Chen Yun (7115 5366)]

[Text] Beijing, 12 Dec (XINHUA)—It was learned from the National Leading Group for Company Screening Work that four inspection teams, formed by representatives of the National People's Congress [NPC], the Chinese People's Political Consultative Conference [CPPCC], and various democratic parties, will go to Jiangsu, Hubei, Shaanxi, and Jilin provinces to supervise, inspect, and guide the work of consolidating and rectifying companies there beginning 13 December.

These will be the first inspection groups sent to localities under the name of the National Leading Group for Company Screening Work. Before this, three inspection groups were sent to organs of the CPC Central Committee and the State Council. As of today, these three groups had already inspected 24 organs and departments of the CPC Central Committee and the State Council.

It was learned that this first inspection teams to localities will hear comprehensive reports from various provincial leading groups for company screening work, extensively understand reactions to and opinions about the work of consolidating and rectifying companies in these provinces by all aspects in the society, and conduct a key inspection and topic study on key units, companies, and problems.

Luo Gan, secretary general of the State Council and deputy director of the National Leading Group for Company Screening Work, saw all members of the inspection groups off at the Great Hall of the People this afternoon. On behalf of the State Council and the National Leading Group for Company Screening Work, he expressed his thanks to the NPC, the CPPCC, and various democratic parties for their support for the work of consolidating and rectifying companies.

Luo Gan said: It has been more than 4 months since the CPC Central Committee and the State Council made the "Decision on Further Consolidating and Rectifying Companies." During this period, some initial progress

has been made in reorganizing companies, dealing with illegal cases, and improving law enforcement. However, there is a great gap between what has been done and the expectations of the CPC Central Committee and State Council. According to the present situation, the work of consolidating and rectifying companies is very difficult and faces great resistance. In spite of all these problems, the work is supported by the NPC, the CPPCC, and various democratic parties. The three inspection groups sent to organs of the CPC Central Committee and the State Council rendered great help in the work of consolidating and rectifying companies.

Luo Gan expressed his hope that all comrades in these inspection teams be brave enough to supervise and give guidance to the work and eliminate all kinds of disturbances and resistance. He said: If the inspection teams find any resistance coming from organs and departments of the CPC Central Committee and the State Council, please be sure to keep records and inform the leading group. The leading group will deal with it and reply in 3 days.

Article Profiles New Planning Commission Chief

HK2712021189 Hong Kong SOUTH CHINA
MORNING POST in English 27 Dec 89 pp 1, 8

[By Willy Wo-Lap Lam]

[Text] A Soviet-trained technocrat has been promoted Minister of the State Planning Commission (SPC), the most important ministry in the State Council, China's central Government.

The 11th session of the Seventh national People's Congress Standing Committee, which ended yesterday, announced that Mr Zou Jiahua, head of the Ministry of Machinery and Electronics Industry, would replace Vice-Premier Mao Yao Yilin as SPC minister.

The Premier, Mr Li Peng, who nominated Mr Zou for the position, said that his promotion will enable Mr Yao, 72, "to concentrate his energies on helping the premier take good care of State Council work".

Mr Yao, a member of the Politburo Standing Committee, remains the State Council's most senior Vice-Premier.

Analysts say Mr Zou's elevation has positioned him as a major player in Chinese politics of the 1990s.

Owing to close personal links with Mr Li, the General Secretary, Mr Jiang Zemin, and the military, Mr Zou is one of the politicians who could tip the balance in the struggle for power that could break out when senior leader, Mr Deng Xiaoping leaves the scene.

A Moscow-trained mechanical engineer, Mr Zou, 63, joined the party in 1945 and fought in the "liberation war" against the Kuomintang.

He first made his mark in the defence research establishment, becoming vice-chief of the Defence Science and Technology Commission in 1982 and Minister of Ordnance three years later.

He assumed his present post of State Councillor and Minister of Machinery and Electronics Industry in 1988.

Mr Zou owes his meteoric rise partly to unusual personal connections. He is the son of Zou Taofen, a famous communist journalist, and son-in-law of the late Marshall Ye Jiangying, a founder of the Red Army.

Western diplomats say that Mr Zou's training and experience would predispose him towards central planning and heavy industry. As such he is an ideal person to head the SPC, whose role is to enhance governmental control over the economy.

However, Western businessmen describe Mr Zou, who speaks Russian and English, as a technocrat who is eager to absorb investment and advanced technology from the West.

"A long-time crony of Mr Li Peng, Mr Zou's promotion will help ensure the near-total dominance of the so-called faction of Soviet-educated cadres in the party and government," an Asian diplomat said.

"His close ties to the military establishment could mean that in future state plans, military interests will get special treatment."

At the same time, however, Mr Zou's elevation tends to strengthen the position of the so-called Shanghai Faction in Beijing politics.

A native of Shanghai, Mr Zou is also a good friend of Mr Jiang Zemin, his predecessor as the Minister of Electronics Industry.

The Shanghai Faction includes politicians either born in the Shanghai area or who made their mark in the East China metropolis.

"Both by virtue of his work in defence research and his connection to Marshall Ye, Mr Zou has strong backing within the military—which is indispensable for any politician who wants to reach the very top," a Chinese source said.

How far Mr Zou will rise will be evident early next year, when he is expected to be appointed a vice-premier and a member of the Politburo.

Analysts say that Mr Yao Yilin's loss of the SPC post does not in any way mean that his clout as the nation's economic czar will be curtailed.

"Mr Li Peng, whose influence is growing, is spending more time in such matters as foreign policy," a diplomatic analyst said. "That's why he needs a full time vice-premier to look after the economy for him."

Border Officials To Clamp Down on Illegal Exits

HK1712031689 Beijing CHINA DAILY in English
16 Dec 89 p 3

[By staff reporter Chang Hong]

[Text] Chinese border officials said they will take steps to stem unlawful attempts to leave the country, such as the use of fake passports and visas and other means, CHINA DAILY has learned.

the measures involve more training courses for border inspectors to sharpen their skills in spotting fake papers, stricter check at border crossings, and tracking down organizers of illegal exits, an official from the Frontier Defence Bureau under the Ministry of Public Security said in an interview.

"More and more Chinese citizens have applied to go abroad in recent years and the majority of them left the country legitimately," the officials said.

According to the ministry's immigration bureau, more than half a million Chinese applying to go abroad for private reasons in the past four years have had their applications approved. In the first 10 months of this year 80,000 applications were approved.

"Some who could not obtain visas, however, have tried to leave the country by illegal means," the official said.

During the first nine months of this year, inspection stations report that they have successfully stopped more than 400 people from leaving the country with false papers.

So far this year, 33 people allegedly accused of forging visas and passports have been arrested, he said.

The official said international syndicates for organizing Chinese mainlanders to go abroad through illegal means have also been discovered.

"In addition to extorting money from their beneficiaries, they also forced them to traffic in drugs," he said.

Returned Overseas Chinese Congress Closes

OW2712060989 Beijing Domestic Service
in Mandarin 1030 GMT 22 Dec 89

[From the "National Hookup" program]

[Text] The Fourth National Congress of Returned Overseas Chinese successfully closed in Beijing today. The congress called on federations of returned Overseas Chinese at all levels across the country, under the leadership of the Chinese Communist Party, to continue to carry out a series of guidelines and policies of the party on Overseas Chinese affairs; to safeguard the legitimate and legal rights and interests of Overseas Chinese and returned Overseas Chinese and their families; to widely unite countrymen residing abroad and returned Overseas Chinese and their families; to increase contacts with

Chinese of foreign nationality; and to work hard to revitalize the Chinese nation, reunify the motherland, and develop friendly cooperation with people of all countries.

The closing meeting of the congress adopted a resolution on the chapter of the All-China Federation of Returned Overseas Chinese, and a resolution on the work report by the Third National Committee of the All-China Federation of Returned Overseas Chinese. In his closing speech, Zhuang Yanlin, newly-elected chairman of the All-China Federation of Returned Overseas Chinese, said: The party and Government have attached great importance to, and shown great concern about, the work of federations of returned Overseas Chinese. Federations of returned Overseas Chinese at all levels should improve their organizations and make necessary reforms in the spirit of improving organization, working hard to pioneer new undertakings, setting up economic entities, establishing contacts with various sectors, and serving and making contributions to society. We must not let down the party and the people.

Commentary Views Intellectuals' Patriotic Spirit

*HK2712071289 Beijing GUANGMING RIBAO
in Chinese 7 Dec 89 p 1*

["Short Commentary: Valuable Spirit of Patriotism with Absolute Sincerity"]

[Text] Since the founding of New China up to the present, a large number of experts and scholars who completed their studies in foreign countries have returned to the motherland and have been playing an important role in socialist construction and making a great deal of important contributions to our economic and social development. Their patriotic actions have been highly praised and esteemed by the party, the government, and the people.

What is most worthy of praise and respect is their sincere feelings of loving the motherland. They could enjoy much better working and living conditions in foreign countries. This is particularly the case for the first batch of experts and scholars who returned to the motherland shortly after the founding of New China, because they had to break through all kinds of obstruction in order to return to the motherland. What force made them so firmly determined to return to the motherland? It was the spiritual force of patriotism. Because they cherished the great patriotic spirit, they always thought of the motherland when living in foreign countries. Once they completed their studies, they decided to return home to serve the motherland; and once they returned to the motherland, they worked diligently to change the backward and poor conditions of the motherland. Man should cherish a noble spirit. Loving the motherland and loving the socialist China is the common mental prop for all members of the Chinese nation. They may live in overseas areas, or may return and settle down on the motherland, or may always live at home. So long as they cherish the patriotic spirit, they will share the same language and the same feelings, and will

work hard for the motherland's prosperity and powerfulness with one heart and one mind and will make unremitting self-strengthening efforts. If a person even lacks the basic feelings of loving his motherland, what can he still hope for?

At present, some overseas people are trying to hinder the Chinese students in foreign countries from returning to the motherland, and they do this obviously for purposes hostile to China. However, no matter how complicated and serious the situation may be, so long as a Chinese person still cherishes a Chinese heart, no rumors, discord-sowing tricks, and obstructions will succeed. It was after surmounting various obstructions that the first batch of experts and scholars returned to the motherland shortly after the founding of New China, and the perilous circumstances could not subdue their strong desire to return to the motherland. Now, socialist China has grown strong and has stood aloft among other nations of the world. The party and the government have laid down explicit policies for welcoming and encouraging students to return home after they complete their studies in foreign countries. Their work and livelihood will be properly arranged after their return to the motherland. We believe that the rumors will eventually be punctured, and most students in foreign countries will resolutely return to the motherland.

At present, some young intellectuals at home are keen to go abroad, and it seems to them that they can find bright future only by going abroad. This is a one-sided idea. The basic purpose of going abroad to study is to make greater and more contributions to the motherland, and it is necessary to cherish the firm conviction that "my career is rooted in my own country." If one goes abroad for one's own benefit and even unscrupulously seek every possible way to leave the motherland, then one will betray the patriotic tradition of the Chinese intellectuals and should feel shame toward their teachers who returned by breaking through various obstructions to join socialist construction in those years.

The noble patriotic enthusiasm and spirit of a large number of experts who returned to and settled down in the motherland have inspired and educated, and will continue to inspire and educate, the younger generation of intellectuals. Now, it is more necessary to carry forward their spirit and take it as the example for young intellectuals to follow.

Military

Yang Baibing Reveals Army Defiance in Crackdown

*HK2812013189 Hong Kong SOUTH CHINA
MORNING POST in English 28 Dec 89 pp 1, 10*

[By Willy Wo-lap Lam]

[Text] The commander of the Beijing-based 38th Group Army and another 110 officers and 1,400 soldiers refused to take orders or left their posts during the

People's Liberation Army crackdown on the pro-democracy movement in April and June, a senior PLA leader has revealed.

The 38th Group Army was first called upon in late April by senior leader, Mr Deng Xiaoping, then the chairman of the Central Military Commission (CMC), to severely restrict the scope of the activities of demonstrating students.

In an unpublished speech by the Chief Political Commissar, Mr Yang Baibing, at a conference to boost Army political work, he underlined the need to beef up ideological work to prevent a recurrence of the disciplinary problems in May and June.

A transcript of the speech, made in Beijing earlier this month, has been circulating among senior Army and party officials.

According to Mr Yang, 21 officers and cadres with ranks of divisional commander or above, 36 officers with ranks of regimental or battalion commander, and 54 officers with the rank of company chief "breached discipline in a serious manner during the struggle to crush the counter-revolutionary rebellion" in June.

In addition, 1,400 soldiers "shed their weapons and ran away", he said.

Mr Yang cited Mr Xu Qinxian, head of the Beijing based 38th Group Army, as one of the 21 senior officers who had disobeyed orders from the CMC. No other officers were named.

Failure of the 38th Army—many of whose soldiers are recruited from the capital—to clamp down on student demonstrations in late April and early May was a factor behind the rapid growth of the democracy movement.

Mr Xu was reportedly court-martialled in the autumn and given a stiff sentence.

Mr Yang pointed out that during the rebellion, "if a group of (Army) political commissars had not insisted on their political stand and stuck to their positions in times of difficulty, the outcome would have been unthinkable".

Analysts say that in the wake of the Romanian revolution, during which the Army rendered crucial help to anti-Ceausescu demonstrators, the CMC has tightened control over the PLA.

Mr Yang, a rising star in both the Army and party, has been given the task of ensuring the loyalty of military officers in case students and workers have been encouraged to again challenge the regime.

Mr Yang's speech provides the first time admission of the extent to which Army officers of various ranks refused to take orders from the CMC in enforcing martial law imposed in Beijing and other parts of the country.

"By saying the officers seriously breached discipline Mr Yang means officers refused to move their troops to Beijing or refused to deploy their soldiers against the students," a Western diplomat said.

"It is the first time since the establishment of the Red Army in the 1920s that the party leadership has had such a major disciplinary problem with the military."

In a widely-publicised interview in early November, Army Chief of Staff, Mr Chi Haotian, had insisted that in May and June all military officers had "remained in utmost unison" with the spirit of the CMC.

In his speech, however, Mr Yang, who was promoted to secretary-general of the CMC in early November, stressed the importance of ideological work.

"Politics is the commander-in-chief, the soul of the party and Army," Mr Yang said.

"Only through strengthening political and ideological work in the Army can we guarantee its correct political orientation."

While conceding that the Army needs to modernise equipment, he stressed that "our priority concern is in whose hands the guns are being held, in which direction the guns are pointing at".

"More serious and higher political demands will be put on the Army," Mr Yang said. "This is to ensure the party's absolute leadership over the Army".

Mr Yang, who is the younger brother of the President and military strongman, Mr Yang Shangkun, also launched one of the most bitter attacks yet against ousted party chief, Mr Zhao Ziyang.

Instead of strengthening Army political work, Mr Yang said, Mr Zhao had tried to "transform" the nature of ideological indoctrination.

"Ever since he became first vice-chairman of the CMC (in 1987), Mr Zhao has undermined and disrupted the work of the General Political Department (of the PLA) in order that Army political work becomes leaderless," Mr Yang said.

"This is to meet the political needs of those who advocate bourgeois liberalisation. Their goal is to overthrow (the existing order) and to build up a new one."

Analysts say that this is the first time that a member of the post-June 4 leadership has accused Mr Zhao of trying to overthrow the regime.

The official verdict on the fallen liberal leader is only that he is guilty of "splitting the party" and fostering bourgeois liberalisation.

Yang Baibing Receives PLA Delegates to Meeting

*OW2812013189 Beijing XINHUA Domestic Service
in Chinese 1452 GMT 21 Dec 89*

[By reporter Luo Yuwen (5012 3768 2429)]

[Text] Beijing, 21 Dec (XINHUA)—Yang Baibing, secretary general of the Central Military Commission and director of the People's Liberation Army [PLA] General Political Department, and other leading comrades cordially received PLA delegates to the Fourth National Congress of Returned Overseas Chinese in Beijing this afternoon.

On behalf of the Central Military Commission and the PLA General Political Department, Yang Baibing extended warm regards to the delegates, commending their love for the party, the motherland, and the people. He also praised them for making positive contributions to national construction and army building, and called for fresh contributions to rejuvenating and reunifying the motherland and building a modern, regularized revolutionary army. Other leading comrades of the Political Department awarded copies of "Deng Xiaoping's Picture Album" and "Album of Beijing's Armed Guards" to the delegates and had pictures taken with them.

Chen Xitong Discusses National Defense Education

*OW1412032189 Beijing XINHUA Domestic Service
in Chinese 0250 GMT 8 Dec 89*

[By reporters Zhao Su (6392 5685) and Wang Yuehua (3769 6460 5478)]

[Text] Beijing, 8 Dec (XINHUA)—Chen Xitong, state councillor and mayor of Beijing Municipality, stressed at a Beijing municipal conference on national defense education the other day that party committees and governments at all levels should regard national defense education as an important aspect of political construction in the new period, include it in the education of all people, grasp this education at the basic level, and achieve actual results in this regard.

Chen Xitong said: Leading comrades doing local work should take a strategic view of national defense education and understand such education from the standpoint of national survival and long-term political stability. It should be understood that national defense construction is a guarantee for economic construction. It is impossible to smoothly carry out reforms and construction and open to the outside world without a strong national defense and without a peaceful and stable environment. At the same time, it should be noted that the concept of national defense is a concentrated expression of patriotism, revolutionary heroism, and the spirit of devotion. When education in national defense is strengthened, it can be turned into a fighting capability militarily, can help increase productivity economically, and can produce a cohesive force politically. It can serve several purposes.

He pointed out: In effectively conducting education in national defense, we should now make it a common practice in society to cherish and support the Army and to concern ourselves with Army building and the work of the militia and reserve service. Local governments and the masses should do practical things for Army units. They should especially take the initiative in solving problems for Army units, implementing the policy on giving special care to family members of revolutionary martyrs and servicemen, and doing a good job in supporting the Army. It is necessary to do conscription work efficiently to provide Army units with qualified recruits. At the same time, proper arrangements should be made for retired servicemen.

General Hong Xuezhi Addresses Memorial Meeting

*OW1412091389 Beijing XINHUA Domestic Service
in Chinese 1502 GMT 11 Dec 89*

[By reporters Zhu Ming (2612 2494) and Li Shiyuan (2621 4258 0337)]

[Text] Nanning, 11 Dec (XINHUA)—A grand meeting was held this morning in Nanning, capital of the Guangxi Zhuang Autonomous Region, to commemorate the 60th anniversary of the Baise and Longzhou Uprisings. Comrade Deng Xiaoping wrote an inscription for the meeting: "In commemoration of the 60th anniversary of the Baise and Longzhou Uprisings."

Entrusted by the Central Military Commission, General Hong Xuezhi, member of the commission, attended and addressed the meeting. More than 1,800 people attended the meeting, including leaders of the Guangzhou Military Region and the Guangxi Zhuang Autonomous Region; veterans of the 7th and 8th Red Armies; relatives of martyrs, Army troops, members of the Armed Police Force; and representatives from various circles.

In his speech at the meeting, Hong Xuezhi said: The Baise and Longzhou Uprisings were two fairly influential and large-scale armed uprisings independently led by our party in the Agrarian Revolutionary War and after the Nanchang and Guangzhou Uprisings, and they were "a brilliant practice of an armed independent regime of workers and peasants" in a minority nationality region. He said: Comrade Deng Xiaoping, who led the two uprisings on behalf of the CPC Central Committee, displayed his unusual proletarian revolutionary courage and resourcefulness and outstanding leadership ability in the struggle. He correctly applied Comrade Mao Zedong's concept of seizing power by armed force; resolutely overcame interference from the erroneous "leftist" ideas; and combined principles of revolution with the flexibility of struggle, accumulating valuable experiences in seizing power by our party with armed force. In reviewing Comrade Deng Xiaoping's historic contributions, we feel that the high appraisal of his outstanding meritorious service by the 5th Plenary Session of the 13th CPC Central Committee has touched our hearts.

In the afternoon, more than 800 people, including representatives of the Central Military Commission and the Guangzhou Military Region; responsible persons of party, government, and Army organizations in Guangxi; and representatives of veterans of the 7th and 8th Red Armies, as well as representatives of family members of revolutionary martyrs and servicemen and representatives from various circles, went to Nanning City's Nanhu Park to lay wreaths at the Monument to Revolutionary Martyrs who had laid down their lives during the Baise and Longzhou Uprisings.

Article Views Mobile Forces Needs During Riots

*HK2012082789 Beijing JIEFANGJUN BAO
in Chinese 2 Dec 89 p 2*

[Article by Bai Changqin (4101 7022 0530): "My Views on Technical Equipment for Mobile Forces"]

[Text] When the mobile forces dealt with eventualities, a prominent problem was that their equipment and technical means were not suited to the needs of their tasks. This was mainly reflected in the fact that most weapons and technical means used by the mobile forces were designed for military operations and were strongly lethal. They lacked anti-riot capabilities and non-lethal and defensive weapons. They also lacked the technical means for communications and information processing under special conditions. This affected the smooth fulfillment of their tasks.

The importance of equipment and technical means for the troops is self-evident. As an ancient saying goes: "One must first command good tools if one is to do one's work well." At present, efforts should be made to improve the technical means and equipment of various units in light of their specific conditions and in order of the importance and urgency of their tasks.

First, modern command systems that are able to tackle various eventualities should be set up in the headquarters and in all general brigades. Such command systems should be computerized and should be able to play comprehensive functions in command, control, communications, and information processing. We have made explorations in this respect in recent years and have initially set up a command center where human operations are combined with mechanical equipment and computers for routine and combat duties. When dealing with the riots on 22 April in Xian, we made use of this center to accurately and rapidly draw maps showing the topography and the operational procedures. Thus, the commanders were able to directly perceive the on-the-spot situation through monitors in the command center, effectively and efficiently commanding the operations of the troops.

Second, the troops should be equipped with a variety of defensive devices. 1) Personnel protection: At present, a considerable quantity of firearms has been scattered throughout society. Cases in which armed thugs robbed and killed innocent people occurred from time to time.

In the actions of rounding up the thugs, the mobile forces often paid a bloody price for lack of bulletproof clothing. Therefore, it is now necessary to increase availability of various bulletproof equipment, such as bulletproof shields, jackets, and boards. 2) Vehicle protection: The mobile forces not only need to be equipped with a certain number of high-speed vehicles for pursuit and patrolling purposes, but also to possess some special vehicles with large engines that are collision resistant and bulletproof so that they can be used to remove all roadblocks and intercept armed thugs. Other vehicles should also be improved in their technical properties so that their tires cannot be punctured, their doors and windows cannot be smashed, and their bodies cannot be approached or burned.

Third, the mobile forces should be equipped with various police devices and nonlethal weapons. In order to effectively subdue hijackers and rioters, the mobile forces must also be equipped with various nonlethal weapons and police devices, such as rubber bullets; rubber clubs; tear gas; gas masks; and other handy, reliable, and highly precise police equipment. All such things should stand up to international standards. Thus, the forces will be able to effectively subdue the thugs and also prevent the possible harm to innocent people.

When action is taken to improve the equipment and technical means of the mobile forces, attention should be paid to both the personnel and the vehicles and to both the ground forces and the air forces (helicopters). We should develop as well as purchase new equipment.

PLA Develops Large Nuclear Test Device

*HK2712040689 Beijing ZHONGGUO XINWEN SHE
in Chinese 0944 GMT 14 Dec 89*

[Text] Beijing, 14 Dec (ZHONGGUO XINWEN SHE)—A large test device which simulates the shock waves caused by nuclear explosions—"Anti-Shock Wave Tube 1485"—was successfully developed by a unit of the People's Liberation Army.

In order to achieve all kinds of data about the damages caused by the shock waves of a nuclear explosion to military facilities, it is necessary to create huge instantaneous shock waves by some artificial means. The research institutes concerned studied the methods of high-pressure electric discharges, explosions through the mixture of hydrogen and oxygen, and cone-shaped dynamite. Finally, they selected a kind of small-density gunpowder as the energy sources for creating the shock waves.

The test device was built in Luoyang, Henan. It is 42 meters long, 1,485 millimeters in diameter, and weighs 340 tons. It winds on the land like a huge dragon. It is the largest among similar devices in Asia.

The shock waves created by this device are similar to those caused by nuclear explosions, so much test data can be obtained through its operation. The successful

development of such a device enabled China to rank among the small number of advanced countries in the world which possess large anti-shock wave tubes. While nuclear explosions for test purposes are subject to more and more restrictions, the simulating test devices will have more extensive use.

Since the device was put into use, some 30 to 40 large test simulations have been carried out to test the shock strength of some defense works, some construction projects, and some weapons. Accurate results were achieved in these tests. In the test simulations for a large underground project, more than 2,000 bits of data were achieved through testing 14 different slope models. This provides the foundation for studying the impact of the shock waves on different parts of hills and valleys and for rationalizing the distribution of the underground structures. In particular, the tests achieved a more accurate empirical formula for calculating the relationship between the pressure and the topographical features, and this can be more effectively used in the relevant engineering projects.

Economic & Agricultural

Union Official Zhu Reportedly Dismissed

HK2612044689 Hong Kong HSIN WAN PAO in Chinese 25 Dec 89 p 4

[Special dispatch from Beijing: "It Is Said That Zhu Houze Will No Longer Act as Vice President of All-China Federation of Trade Unions"]

[Text] Beijing, 25 Dec—Zhu Houze, who has worked with the All-China Federation of Trade Unions for only a little more than a year, will no longer act as vice president of the federation and first secretary of the Secretariat under the federation.

The All-China Federation of Trade Unions 11th Executive Committee 2d Session held in Beijing recently will discuss this personnel matter. Some people noted that Zhu Houze did not turn up at the meeting.

Zhu Houze, 58, had worked in Guizhou Province for scores of years before leaving the post as first secretary of the Guizhou Provincial CPC Committee. He met with political adversities for 14 years during the Cultural Revolution.

Since he was transferred to Beijing, he has worked with the CPC Central Committee Propaganda Department and the State Council Rural Development Research Center, but he did not stay long at either post.

Zhu Houze was elected vice president of the All-China Federation of Trade Unions and first secretary of the Secretariat at the 11th general membership meeting of the Federation held in October last year.

According to those who are familiar with him, Zhu Houze is a person of few words and seldom committed

himself when he worked with the Federation. A year ago when he was elected vice president of the federation, many reporters tried to have an interview with him, but their requests were graciously declined.

The cause for his dismissal this time is his insistence on doing research work.

He will not be relieved of his position as member of the Executive Committee at the session because the matter has to be decided upon by the representative conference of the federation as required by the regulations.

The federation's relevant regulations stipulate that one of the forms by which the CPC exercises leadership over the federation is to recommend to the federation candidates for its principal leaders.

It is reported that additional changes in the high-level leadership of the federation are in the pipeline.

Industries Adjust to Yuan Devaluation

HK2112044489 Beijing CHINA DAILY in English 19 Dec 89 p 2

[By staff reporter Wang Xiangwei]

[Text] Chinese bankers and economists said yesterday that last week's steep devaluation of the yuan against foreign currencies probably will not trigger a major rise of prices in the near future as the State is still pressing on with its austerity programme.

However, CHINA DAILY learned that some consumer-related industries have already raised their prices to keep up with the new exchange rates.

"We're not very worried about inflation because the devaluation of the yuan was issued at time when the government is keeping a tight control over the money supply with austerity measures," said a Chinese banker who refused to be further identified.

Even with the devaluation announced last Friday, he said, the yuan remains overvalued. "So we believe this is a cautious and well-measured step taken by the government to ensure healthy economic development."

"It's still too early to comment on the specific results the devaluation will have on inflation," he said.

Last year, inflation hit 18.5 percent in China. According to the State Statistical Bureau, prices increased by 19.9 percent from January through November this year, an increase that was 2.3 percent lower than the rise in the same period last year.

The yuan was devalued by 21.2 percent starting from last Saturday with the new exchange rate set as 4.71 yuan for \$1, compared with the previous 3.71 yuan.

This was the first devaluation of the yuan since a 15.8 percent drop in July 1986.

Many Chinese economists interviewed by CHINA DAILY have hailed the new devaluation as an necessary step toward reflecting the true value of the yuan.

One economist said the big drop of the yuan against foreign currencies will not cause sharp price hikes this time.

"At present the market is quite sluggish, which will restrain some industrial and consumer product manufacturers from major price hikes," he said.

Another economist predicted that the prices of imported and tourism-related products will probably increase.

Almost all the joint venture hotels in Beijing have already increased their prices on some imported food-stuffs and beverages in keeping with the new exchange rates, their spokesmen told CHINA DAILY in telephone interviews.

Room rates remain unchanged for the time being, they said.

However, most of the State-owned hotels and restaurants as well as arts and crafts stores catering to foreign tourists said they have not yet considered raising their prices pending further directives from higher authorities.

Song Huaigui, general manager of the Sino-foreign joint venture restaurant maxim's, said the restaurant is raising some of its prices by 20 percent.

"This will make our business more difficult, because we have to import beef and beverages which will cost us more," Sing said.

11.7 Billion Yuan Collected From Private Sector

OW2212190689 Beijing XINHUA in English
0727 GMT 22 Dec 89

[Text] Wuhan, December 22 (XINHUA)—By the end of last November China had collected 11.7 billion yuan (about 2.49 billion U.S. dollars) from private businessmen and entrepreneurs, a tax officials said here today.

Lu Renfa, deputy director of the State Administration of Taxation, said the figure was up 53 percent over the same period of last year.

However, during the past 11 months taxes evaded by private businessmen and entrepreneurs were estimated to top 2.06 billion yuan (430 million U.S. dollars), said the official.

Statistics from Shandong, Sichuan, Hubei and Jiangsu Provinces show that by the end of last October 5,313 private businessmen were found to have evaded more than 10,000 yuan (2,000 U.S. dollars) in taxes each.

A private businessman in south China's Guangdong Province was found to have evaded taxes of 1.2 million yuan (about 240,000 U.S. dollars), the biggest case in China, the official said.

Austerity Program Reduces Capital Construction

OW2412082889 Beijing XINHUA in English
0650 GMT 24 Dec 89

[Text] Beijing, December 24 (XINHUA)—China's austerity program to improve the economy has scaled down capital construction, one of the major causes of the severely overheated economy of the past few years.

Government officials say that this year will register a cut of 10 percent in investment in fixed assets, reducing the total to 400 billion yuan (about 85 billion U.S. dollars).

Of the total, investment in fixed assets by state-owned enterprises will reach 251 billion yuan (about 53.4 billion U.S. dollars), nine percent less than last year's figure; investments for the collective and private economy will stay at, or be a little bit lower than, last year's level.

Economists from the State Information Center say investment in east China has been reduced by 28.8 percent, in central China by 13 percent and in the west by 10 percent.

Analysts say the move has not only curbed expanding investment, but also cooled the overheated growth of industrial production and consumer demand.

They say the tasks ahead are still difficult to cope with because too many projects had been started in the past few years, and leading officials in some regions and departments are not very keen in implementing the move.

The problems are the result of excessive social demands in the past few years. From 1984 to 1988, China's gross national product grew at an average annual rate of 11.5 percent while the investment in fixed assets of the whole country jumped by 27.1 percent, far outstripping the country's financial and material capacity.

Thus, Chinese Premier Li Peng said early this year that the cutback of investment in fixed assets is a major measure that plays a decisive role in reining in demand. It is imperative that the country curb inflation and stabilize the economy as a whole.

Economic planners and decisionmakers have recently tabled a new scheme to further nationwide efforts to curb capital construction, including a tough policy for approving new projects, revising projects that have already been approved and giving priority to projects for farming, energy, transport and important raw materials in line with the state industrial policy.

Furthermore, the government will shift to state key projects some investment that was planned for ordinary projects, while straightening out the order in capital construction.

Nevertheless, the one-year old retrenchment has done a great deal to relieve the tension between supply and demand. The nationwide spree to build hotels and guesthouses has been curbed to a certain extent and construction has been brought under control.

Despite difficulties from various sectors and regions, China suspended 18,000 construction projects in the first three quarters of this year, thus helping the government to cut total construction investment by 67.5 billion yuan (about 14.3 billion U.S. dollars).

As a result, the number of projects started this year by state-owned enterprises for capital construction, including the technical transformation projects, has been cut by two-thirds to 18,000 in the past nine months.

Thanks to the readjustment, investments for key state projects in the energy, transport and production sectors increased while investments for light industry, textiles and non-production projects were reduced. The proportion of investment for energy grew from 24.6 percent last year to 28 percent this year.

Association Set Up To Aid Foreign Firms

HK1712032489 Beijing CHINA DAILY in English
16 Dec 89 p 2

[By staff reporter Wang Xiangwei]

[Text] The China Association of Foreign Service Trades was launched yesterday to provide better and more co-ordinated services to foreign businesses in China.

The association has admitted 30 foreign enterprise service corporations (FESCOS) across the country.

Zheng Hongye, the association's president, said at the opening ceremony that the association is affiliated with the Ministry of Foreign Economic Relations and Trade (MOFERT) and the China Council for the Promotion of International Trade (CCPIT).

"The association, with the theme 'foreign businesses' requirements are our work,' will strengthen horizontal links among the FESCOS across the country in order to improve foreign-related services," said Zheng who is also president of CCPIT.

The association headquarters is in the FESCO in Beijing, as the company is the country's largest and earliest organization providing services to foreign businesses.

The Beijing FESCO was launched in November 1979 as foreign firms started to open representative offices in

Beijing following the implementation of China's open-door policy in the same year.

The Chinese Government has designated the FESCOS across the country as the sole legal organization to provide services to China-based foreign firms.

CHINA DAILY learned that up to now, there are more than 1,760 foreign representative offices in China, mostly concentrated along the eastern coastal area.

More than 30 FESCOS have been established by the government across the country, providing nearly 10,000 interpreters and technicians to foreign firms.

Sun Yangxian, the association's managing director and general manager of the Beijing FESCO, said that the association will be a loose organization aiming to achieve unity in drawing up policies and management.

He said foreign businesses based in China have two major concerns: one is the fees collected by FESCOS and other is the employment of local staff.

He said the association will try its best to meet their needs and find solutions to these problems.

Foreign businesses currently must pay hard currency or foreign exchange certificates as their Chinese employees' salaries to the FESCOS which turn around and pay the Chinese employees in Renminbi, with the excess going to the government.

Sun said the Beijing FESCO has already relaxed its control on employment of Chinese staff in foreign businesses.

The foreign businesses can either recommend candidates to the FESCO for approval or they can advertise for employees with the FESCO.

In the past, whenever a foreign business wanted to hire a Chinese person, it had no other choice but to go to the FESCO to fill the vacancy.

1989 Grain Output Matches 1984 Record

OW2812021289 Beijing XINHUA in English
0137 GMT 28 Dec 89

[Text] Beijing, December 28 (XINHUA)—China's grain output this year amounts to 407.5 billion kg, equivalent to that of the record harvest of 1984, according to the State Statistics Bureau.

Experts analyse that the increase has been achieved because of the following factors: First, the planted areas and the output per ha have increased; second, severe natural disasters failed to have a significant impact on the crops; third, the harvests in spring, summer and autumn were all bumper ones.

The wheat and rice output amounts to 270 million tons this year, up 18 million tons from that of last year.

East Region

NPC's Sun Qimeng Inspects Work in Anhui

OW2612132189 Hefei ANHUI RIBAO in Chinese
24 Oct 89 P 1

[Text] Sun Qimeng, vice chairman of the National People's Congress [NPC] Standing Committee, inspected work on screening and consolidating companies and on overall planning of scientific education in rural areas in Anhui from 7 to 22 October. On the afternoon of 7 October, Lu Rongjing, secretary of the Anhui Provincial CPC Committee; Fu Xishou, deputy secretary of the Anhui Provincial CPC Committee and governor of Anhui; Meng Fulin, deputy secretary of the Anhui Provincial CPC Committee; Wang Guangyu, chairman of the Anhui Provincial People's Congress Standing Committee; Zheng Rui and Du Hongben, vice chairmen of the Standing Committee; Zhang Runxia, vice governor of Anhui; and other responsible comrades of Anhui called on Vice Chairman Sun Qimeng, welcomed him on his inspection tour of Anhui, and spoke with him.

During his inspection tour of Anhui, Sun Qimeng heard work reports from the departments concerned and meet with the responsible comrades of some enterprises, institutions, and organs. He also visited Xikou Vocational School and rural enterprises in Xiuning County in the mountainous area in southern Anhui in an effort to gain a better idea of rural vocational education, the livelihood of the masses, and the economic situation in the area. He praised teachers and students of Xikou Vocational School for their achievements. He exhorted them to make greater achievements and to make greater contributions to invigorating the mountain area's economy. During his stay in Hefei, Sun Qimeng attended the inaugural meeting of the Anhui Chapter of the All-China Vocational Education Society, held meetings with responsible persons of the Anhui Provincial Committee of the China Democratic National Construction Association and the Anhui Provincial Committee of the All-China Federation of Industry and Commerce, and met with some old comrades.

On 9 and 10 December, Vice Governor Zhang Runxia reported to Vice Chairman Sun Qimeng on Anhui's work on screening and consolidating companies and on overall planning of scientific education in rural areas.

During his inspection tour, Sun Qimeng affirmed Anhui's achievements in screening and consolidating companies and offered some opinions and suggestions on work in this area. He repeatedly pointed out: Overall planning of scientific education in rural areas, which was first carried out in Anhui, is a good way to promote scientific education in rural areas. It has been welcomed by the masses and teachers and has made cadres happy. It is an effective way to deepen reforms in rural areas, it has pointed out a broad way to reform and promote education in rural areas, and it has provided important and helpful experience in carrying out

the guideline of simultaneously paying attention to promoting material and spiritual civilizations. He said: The 12th National Congress of the party pointed out that spiritual civilization is an important characteristic of socialism and stressed that, while building material civilization, we must work hard to promote socialist spiritual civilization. In his speech marking the 40th anniversary of the founding of the People's Republic, Comrade Jiang Zemin reiterated the strategic policy of simultaneously paying attention to promoting material and spiritual civilizations. Overall planning of scientific education in rural areas is an effective way to carry out this policy. I hope we regard the work in this area of simultaneously promoting material and spiritual civilizations as something important and strive to raise the work to a new level.

On 20 October, Sun Qimeng, in the company of Chairman Wang Guangyu, met with responsible persons of the Provincial People's Congress Standing Committee and various work departments of the People's Congress and had a group photo taken with them.

Further on Jiangsu CPC Committee Elections

OW2712125189 Beijing XINHUA Domestic Service
in Chinese 1337 GMT 26 Dec 89

[By reporter Zhang Xingduan (1728 5887 4551)]

[Text] Nanjing, 26 Dec (XINHUA)—Shen Daren, 61, was elected secretary of the Jiangsu Provincial CPC Committee this afternoon at the first meeting of the Eighth Jiangsu Provincial CPC Committee.

Chen Huanyou, Deng Hongxun, Sun Jiazheng, and Cao Hongming were elected deputy secretaries of the provincial party committee, and Yue Dewang, Hu Fuming, Ku Hao, Cao Keming, Gao Dezheng, and Dai Shunzhi were elected to the Standing Committee of the provincial party committee.

A native of Wuxian County, Jiangsu Province, Shen Daren is a member of the 13th CPC Central Committee and had previously served as secretary of the Ningxia Hui Autonomous Regional party committee.

The Eighth Congress of the Jiangsu Provincial CPC Committee was held in Nanjing from 20 to 25 December.

The new Advisory Committee and Commission for Discipline Inspection, elected by the congress, held separate meetings this morning and elected Zhou Ze as vice chairman of the provincial Advisory Committee and Cao Keming as secretary of the provincial Discipline Inspection Commission.

Jiangxi Reports Non-Communists in 'Important' Posts

OW2712184589 Beijing XINHUA in English
1518 GMT 27 Dec 89

[Text] Nanchang, December 27 (XINHUA)—Nearly 500 non-communists in east China's Jiangxi Province

have secured important posts in the decision-making bodies above the county level.

They include members of the China Democratic League (CDL), the China Association for Promoting Democracy (CAMD), the Chinese Peasants and Workers Democratic Party (CPWDP) and public figures without party affiliation. Many are experts in their particular fields.

Chen Kuizun, a CDL Standing Committee member and deputy head of its Jiangxi branch, is considered the most successful. He was elected as the first non-communist vice-governor in Jiangxi five years ago.

As the former vice-president of the Jiangxi Metallurgical Institute and an associate professor, Chen has made valuable contributions in the fields of mechanics, optics and electro-magnetics.

The 58-year-old Chen has been spending two months each year on investigation of special subjects at grassroots units since he became vice-governor. Based on comprehensive surveys, he wrote many reports including "Problems of Agro-Engineering" and "Proposals on Establishment of Technical Markets with Chinese Characteristics".

During his tenure of office, he has invigorated the provincial scientific research, education and sports. He has also succeeded in reducing the number of new births by some three million in the last five years and lowering the number of dangerous school buildings from 15 percent in 1985 to the present three percent.

In addition, he has established a provincewide technical market network and launched a mass campaign for the popularization of modern scientific farming methods, which helped the province reap rich harvests several years running in spite of frequent natural disasters.

These non-communist leading officials have the common features of diligence, pragmatism and eagerness to learn, said Hu Jianping, an official of the provincial united front work department.

Chen Guanzhen, a returned overseas Chinese, was promoted to the post of deputy director of the Jiangxi Provincial Physical Culture and Sports Commission in September 1988. With 15 years experience coaching badminton, she turned the provincial badminton team into one of the best teams in the country and trained a number of world-class players such as Qian Ping and Xiong Guobao.

The province began to promote non-communist officials to positions of leadership as early as in the 1950s.

The aim of such moves is to perfect the multi-party co-operation system and push forward the course of democratization in China, Hu said.

Non-communists are promoted to the leading posts in accordance with the same four criteria as for their

communist counterparts—they should be young, educated, with one or two specialities and do things in a revolutionary way, Hu said.

Referring to the last criterion, Hu explained, officials must support the leadership of the Communist Party of China (CPC), love their country and believe in Marxism and Leninism.

In recent years, the number of non-communists working at various levels of government and people's congresses has shown an upward trend. That is to say, they have more decision-making powers.

Yu Changlin, a member of the China Democratic National Construction Association, has been in charge of finance and trade of Jingdezhen, a city known as "hometown of porcelain", since he assumed the post of vice-mayor of the city in 1981. He won praise from other mayors and many local residents by making markets brisk and putting the taxation system in order.

Wan Xuewen, deputy director of the Nanchang Municipal Engineering Bureau, gave a vivid description of the importance of his work: "No single square meter of capital construction can be started without my signature." This power was endowed by the party and the people, he added.

Moreover, the non-communist leading officials have the same obligations as the communists in fulfilling tasks handed down to them by the higher authorities and serving the people wholeheartedly, Vice-Governor Chen Kuizun said.

Many non-communist leading officials said they felt it was easy to co-operate with their communist colleagues, and that they have gained the support of party committees at all levels and won the respect of the broad masses of people.

In future, Jiangxi will select more young and competent non-communists to the leading bodies at all levels so as to bring their initiative and talents into full play, Hu disclosed.

Many party committees in the province have placed on the agenda the training of non-communist officials. The provincial united front work department has opened a college and runs short-term courses which provide non-communist leading officials with Marxist theory and knowledge of scientific management.

Zhao Zhihao Addresses Shandong Plenary Session
SK2412080089 Jinan Shandong Provincial Service
in Mandarin 2300 GMT 20 Dec 89

[Text] Zhao Zhihao, deputy secretary of the provincial party committee and governor of the provincial government, in a speech at the third enlarged plenary session of the fifth provincial party committee on 4 December, presented eight opinions on the province's 1990 economic work:

First, we should take the guidelines of the fifth plenary session as guidance in defining the guiding ideologies of next year's economic work and next year's major economic work tasks.

Second, we should resolutely control overall social demands and optimize the structure of funds with which to be invested.

Third, we should start increasing effective supply and consolidating the distribution system to further stabilize market prices.

Fourth, we should mobilize the whole party and all people and try every possible means to reap bumper agricultural harvests.

Fifth, we should focus on conducting structural reforms and increasing economic results to promote a stable and sustained progress of industrial production.

Sixth, we should comprehensively implement the principle of relying on science and education to rejuvenate Shandong, vigorously promote scientific and technological progress, and upgrade the quality of laborers.

Seventh, we should continuously deepen reforms and expand the scale of opening the province to the outside world.

Eighth, we should extensively and deeply launch the campaign of increasing production, practicing economy, increasing revenues, and reducing expenditures.

Zhao Zhihao said: The year 1990 is a key one to implement the guidelines of the fifth plenary session and to further carry out the work of improving the economic environment, rectifying the economic order, and deepening reforms. So, we should pay attention to understanding and grasping the ideologies for guiding the economic work as follows.

We should comprehensively and correctly analyze the situation. At the time of fully affirming the achievements, we should correctly estimate the difficulties, understand favorable advantages, and have firm confidence and determination to carry out the work of improving the economic environment, rectifying the economic order, and deepening reforms. At present, as well as in the future, we should constantly persist in the principle of developing the economy in a sustained, stable, and harmonious manner. We must not be over-anxious for quick results in construction, reforms, the improvement of the economic environment, and the rectification of the economic order. There must be no major ups and downs in the economy. So, we must make the most of the favorable opportunity to improve the economic environment and rectify the economic order to positively readjust the economic structure, to strengthen the development of the basic trades, such as agriculture, and to make unswerving efforts to promote the economic work in line with the principle of focusing on increasing economic results. We should correctly handle the relationship between the improvement of the economic order and the rectification of the economic order and the deepening of reforms.

By no means does the improvement of the economic environment and the rectification of the economic order

mean that the reform work is stagnated or that it is not necessary to conduct reform. We should strengthen centralism and unification, enhance organizational discipline, oppose decentralism, and overcome the state of anarchism in the economic activities. We should firmly foster the concept of tightening our belts; carry forward the spirit of relying on ourselves and arduously pioneering undertakings; persist in the principle of seeking truth from facts; give different instructions according to different conditions; constantly keep to the socialist orientation in improving the economic environment, rectifying the economic order, and deepening reforms; persist in the leadership of the party; and constantly attend to the two civilizations.

Zhao Zhihao said: According to the guidelines of the fifth plenary session and our province's actual conditions, we should focus next year's economic work on improving the economic environment and rectifying the economic order; timely grasp the four key links, such as reducing demands, conducting structural reform, consolidating the distribution system, and launching the campaign of increasing production, practicing economy, increasing revenues, and reducing expenditures; vigorously promote technological progress; and make efforts to rationalize the relationship between different sectors of the economy, lay a good economic foundation, increase economic results, and promote a sustained, stable, and harmonious development of the national economy.

Zhao Zhihao said: We should be determined to bring the scale of investment under control and concentrate efforts on ensuring the construction of key projects. We should strictly control the excessively fast increase in consumption funds and solve, in a step-by-step manner, the problems in the unjust distributions of interests. We should make efforts to increase effective supply, continue to strengthen the management of prices, and further consolidate the distribution system. State commercial enterprises and supply and marketing cooperatives should bring into full play their role as the major distribution channels.

Zhao Zhihao pointed out: The whole party and all people should be mobilized and try every possible means to reap bumper agricultural harvests. We should focus agricultural production on increasing the production of grain, cotton, and oil-bearing crops. All trades and professions should serve the development of agriculture and vigorously support agricultural production.

Zhao Zhihao stressed: The industrial structure should be readjusted in three steps. The first step is to control the excessively fast growth rate of general processing industries and to vigorously develop basic industries. The second step is to control the production of products in full and oversupply and to increase the production of the products in short supply, particularly, famous brand name and high-quality products in short supply. The third step is to focus on developing and enlivening state

enterprises, particularly state-owned large and medium-sized enterprises, on the premise of developing various sectors of the economy.

Zhao Zhihao stressed: The key to eliminating the difficulties in economic construction is to carry forward the spirit of relying on ourselves, arduously pioneering undertakings, and building the country through thrift, and to vigorously launch the campaign of increasing production, practicing economy, increasing revenues, and reducing expenditures. Next year, industrial enterprises should reduce by 2 percent of the consumption volume of raw materials for production use, 3.4 percent of the consumption volume of energy resources per 10,000 yuan worth of output value, and 2 percent of the management charges per 100-yuan sales income; state budgetary industrial enterprises should shorten their fixed-quota floating funds by 5 percent; and commercial enterprises should reduce 1 percent of their circulation charges and reduce 8 percent of deficits.

Zhejiang Strengthens Rural Ideological Education

HK2412080689 Beijing RENMIN RIBAO in Chinese
15 Dec 89 p 1

[Dispatch by Reporter Gao Haihao (7559 3189 3185): "Zhejiang Province Strengthens Ideological Education in Rural Areas"]

[Text] In order to make new breakthroughs in agriculture, while increasing financial, material, and technological inputs, Zhejiang Province has also made the following input prominent: giving play to the traditional political advantages in the countryside; intensifying education in patriotism, collectivism, and self-reliance in the rural areas throughout the province; and continuously consolidating and developing the overall climate for boosting agricultural production.

Such "spiritual input" to boost agricultural production has played a special role in this year's struggle against the serious natural disasters rarely seen before in the countryside of Zhejiang. Villages and farmland in large areas of this province were inflicted by a series of typhoons and floods. The provincial party committee and the provincial government mobilized the vast number of rural cadres and Communist Party members to fight in the forefront and lead the masses to resist the disasters, deal with the emergencies, and restore normal production. Cadres and party members could be found in the most dangerous and difficult places. This fully demonstrated the party's political advantages and effectively kept the continuity of agricultural production, which once suffered from serious damages. In this province, the summer rice output still increased, and good grain harvests were also reaped in autumn.

The provincial party committee and the provincial government in Zhejiang recently again and again reminded cadres at all levels that both material and "spiritual" inputs must be increased in order to strengthen the agricultural foundation, which was weakened in the past

few years due to the shortage of financial, material, and technological inputs and the appearance of many new problems in the thinking of the rural population.

In order to strive for bumper harvests in agriculture, Zhejiang Province has taken measures for increasing financial, material, and technological inputs to agriculture and strengthening the village-level economies. At the same time, the provincial party committee and the provincial government have also decided to adopt various vivid and interesting forms to boost the notions of the state interests, the collective interests, economic planning, self-reliance, and hard struggle in the countryside through intensified position education. At the same time, training courses will be offered to township and village leaders and the entire party membership in the rural areas. This will be combined with the activities of appraising party members in a democratic way and building the rural party branches into fighting bastions. The ideological education and the education in the national situation will also be combined with the work of deepening the rural reforms, carrying out farmland transformation projects, planting winter crops, and promoting family planning.

According to the information from five counties and cities which are carrying out the pilot projects, the "spiritual inputs" have achieved some initial results in solving some major problems and creating a favorable atmosphere for the rural work. Some localities eventually collected the land contract fees that were in arrears for a long time; some localities increased the sowing area of grain crops and developed irrigation works; and some localities improved relations between cadres, party members, and the peasant masses.

Central-South Region

Guangdong Holds People's Congress Work Meeting

Lin Speaks 22 Dec

HK2612153389 Guangzhou Guangdong Provincial Service
in Mandarin 0400 GMT 22 Dec 89

[Text] The Guangdong Provincial People's Congress Work Meeting was held jointly by the Guangdong Provincial CPC Committee and the Guangdong Provincial People's Congress Standing Committee in Guangzhou City today.

The main tasks of the meeting are: 1) To exchange the experiences gained by various local CPC committees in strengthening leadership over people's congress work and gradually perfecting the people's congress system; 2) to exchange the experiences gained by various local people's congresses in exercising their rights in accordance with the law and strengthening supervision; and 3) to make arrangements for the people's congress elections to be held at county, prefectural, township, and town levels next year.

Today's meeting was presided over by Luo Tian, chairman of the Guangdong Provincial People's Congress Standing Committee. Lin Ruo, secretary of the Guangdong Provincial CPC Committee, also delivered an important speech at the meeting.

In his speech, Comrade Lin Ruo said that the people's congress system was established in the course of the revolutionary struggles carried out by the Chinese people under the leadership of the CPC over the past years and fully conforms with China's state system, which is characterized by the people's democratic dictatorship, led by the working class and based on the alliance of workers and peasants. The implementation of the people's congress system fully conforms with the realities in China, incorporates the superiority of the socialist system, and enables people to act as masters of their country and participate in state management. Therefore, the implementation of the people's congress system is a component part of the important task of building socialism with salient Chinese characteristics.

Commenting on the people's congress work in Guangdong Province, Comrade Lin Ruo said that since last year, the people's congress standing committees at all levels in Guangdong Province have been able to play the role of local state organs in: The campaign aimed at improving the economic environment, rectifying the economic order, and building a clean government; supervising and curtailing the scale of investment in fixed assets; screening and rectifying all types of companies; and in the campaign against corruption. The people's congress standing committees at all levels in Guangdong Province have also helped to ensure the successful implementation of the spirit of the 3rd and 4th Plenary Sessions of the 13th CPC Central Committee in Guangdong Province.

Commenting on the people's congress elections to be held at county and township levels next year, Comrade Lin Ruo pointed out that all areas in Guangdong Province should hold the people's congress elections at county and township levels according to the overall plan made by the Guangdong Provincial CPC Committee and to the instructions issued by the Guangdong Provincial People's Congress Standing Committee. All the comrades concerned must fully understand the great importance of the people's congress elections at county and township levels next year so as to practically strengthen the CPC leadership over the election work.

Entrusted by the Guangdong Provincial People's Congress Standing Committee, (He Wen), chairman of the Election Committee of the Guangdong Provincial People's Congress Standing Committee, delivered a report entitled "Some Proposals on Holding People's Congress Elections at County and Township Levels in 1990" at the meeting.

Luo Speaks 26 Dec

HK2712142389 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 26 Dec 89

[Excerpts] Luo Tian, chairman of the standing committee of the provincial people's congress, stressed at the work meeting of the provincial people's congress, which concluded today, that the building of democracy and legal system must be further promoted, and that the system of people's congresses must perfected step by step. Xue Yan, vice chairman of the standing committee of the provincial people's congress, presided over the meeting today. Luo Tian said that in order to do the work well of the people's congress, the first thing is to uphold party leadership. The standing committee of the people's congress executes the duties and powers entrusted to it by the Constitution and law under the party's leadership, converts the party's decision into the country's and the people's will according to the procedure prescribed in the Constitution and through legislation and decisionmaking, and guarantees the implementation of it.

Talking about the supervisory function of the standing committees of people's congresses at various levels in rectification, improvement, and building of clean government, Luo Tian pointed out: Local standing committees at various levels exercise supervisory rights according to law, and this is a very important and routine task for them and they must do it well. [passage omitted]

Luo Tian said that local standing committees of people's congresses at various levels are power organs taking care of the country's affairs on behalf of the people, and that at no time should they forget the people or separate from them. [passage omitted]

Song Zhiying, standing committee member of the provincial CPC committee; Yang Li, Zeng Dingshi, Liu Junjie, Luo Keming, Cheng Li, and Duanmu Zheng, vice chairmen of the standing committee of the provincial people's congress; and Liu Weiming, vice governor, attended the meeting.

Guangdong Anti-graft Drive Nets 5,000 Criminals

OW2812060589 Beijing XINHUA Domestic Service in Chinese 0635 GMT 25 Dec 89

[By reporter Zhang Cailong (1728 2088 7893) and correspondent Li Kun (2621 0981)]

[Text] Guangzhou, 25 Dec (XINHUA)—Party committees and governments at all levels in Guangdong Province have devoted substantial attention and support to the fight against corruption and bribery. Judicial organs at all levels in the province have mobilized the masses to fight against corruption and bribery as the top economic crime. A large number of people have been arrested in this regard. In addition to promoting clean government, the struggle has protected and developed the local economy.

Incomplete statistics released by departments concerned show that people have reported some 30,000 economic offenses to the provincial authorities, with financial, commercial, construction, and customs personnel reporting a sizable number of serious crimes. The money involved in 25 of those serious crimes amounted to 100,000 yuan or more. Last April, people informed on Song Weijian, an employee at the Guangzhou City Foreign Shipping Co., who took more than Hong Kong \$1 million in bribe from Hong Kong businessmen. The tip helped procuratorial organs solve the matter quickly.

Approximately 5,000 economic offenders have thus far turned themselves in to judicial organs at all levels. According to statistics released by Guangdong's procuratorial organs, more than 3,400 economic criminals have surrendered this year, handing in over 50 million yuan to the authorities. Thirty or so fugitives, wanted for economic crimes, have returned to their hometowns and turned themselves in to the local judicial organs.

Lin Ruo Attends Guangdong Exposition

HK2412084489 Guangzhou Guangdong Provincial Service
in Mandarin 0400 GMT 24 Dec 89

[Text] The first Guangzhou China Exposition opened yesterday at 1600 [local time] in Tianhe Sports Center, Guangzhou. The purpose of this exposition is to promote the Chinese culture, raise the nation's confidence, offer an opportunity for trade, expedite economic growth, and demonstrate the achievements of the reform. This exposition will present a series of highlights, including a Chengdu lantern exhibition, a Weifang kite exhibition, the Southwest folk dance festival, and the military exhibition.

Present at yesterday's opening ceremony were Liu Tianfu, member of the Central Advisory Commission; Lin Ruo, secretary of the provincial party committee; Zhang Wanjian, commander of the Guangzhou military region; Liu Heqiao, deputy commander of the Guangzhou military region and commander of the air force of the military region; Wang Ning, chairman of the provincial advisory commission; Du Ruizhi, vice chairman of the provincial advisory commission; (Xu Zhonghua), vice minister of radio, film, and television; Kou Qingyan, former chairman of the provincial advisory commission; Song Zhiying, Zhang Juhui, and Yu Fei, members of the standing committee of the provincial party committee; Xue Yan, vice chairman of the standing committee of the provincial people's congress; Zhu Senlin, secretary of the Guangzhou city party committee; Yang Ziyuan, deputy secretary of the Guangzhou city party committee and mayor; and Ding Tingmo, deputy secretary of the Guizhou provincial party committee.

This exposition, cosponsored by the Zhujiang Economic Broadcasting Station and by the Guangdong branch of the China Council for Promotion of International Trade, will last 51 days and last through Christmas, the New Year, the Spring Festival, and the Lantern Festival.

Henan CPC Committee Holds Plenary Session

HK2312072889 Zhengzhou Henan Provincial Service
in Mandarin 2300 GMT 19 Dec 89

[Excerpts] The 10th enlarged plenary session of the 4th Hunan Provincial CPC Committee, which lasted 4 days, ended in Zhengzhou yesterday [19 December]. The participants further studied and implemented the spirit of the 5th Plenary Session of the 13th CPC Central Committee and the work conference of the Central Committee. They discussed and studied the main tasks, objectives, and measures for carrying out economic improvement, rectification, and deepening reform in our province. Through the study and discussion, the participants have deepened their understanding of the spirit of the 5th Plenary Session of the 13th CPC Central Committee. They unanimously agreed that the CPC Central Committee's decision on further improving the economic environment and rectifying the economic order and the important speeches made by the central leading comrades are profound summaries of our experiences and lessons of the 10 years of reform and a profound analysis of the current economic situation. They reflect the Marxist spirit of seeking truth from facts and the unity and integration of economic improvement and rectification and reform and opening up. They are not only of great importance to the current practice of unifying thinking and overcoming difficulties but will also have a great influence on the sustained, stable, and harmonious economic development in the future. [passage omitted]

Before the meeting was concluded, Yang Xizong, secretary of the provincial party committee, made an important speech. He mainly talked about the following four questions: 1) When studying the documents of the 5th Plenary Session of the 13th CPC Central Committee, it is necessary to apply them to reality, make a correct appraisal of the situation, and closely follow the guiding ideology of achieving a sustained, stable, and harmonious economic development. 2) It is necessary to effectively strengthen party leadership and continue to take economic construction as the center so as to ensure the smooth progress of economic improvement and rectification and deepening reform. 3) It is necessary to adhere to the mass line and strengthen ideological and political work so as to mobilize all positive factors. 4) It is necessary to maintain political stability in society so that good conditions can be created for economic improvement and rectification and deepening reform. [passage omitted]

Comrade Yang Xizong emphasized: At present, maintaining the stability and continuity of the policy of reform and opening up is an important factor for maintaining stability of society. It is necessary to continuously and resolutely implement the measures worked out by the provincial party committee and government for reform and opening up. Those that are not good and perfect enough can be further improved in practice. The experiments on reform in selected units should be continued. We must firmly and closely rally around the party Central Committee with

Comrade Jiang Zemin as its core and make concrete and concerted efforts to strive for the victory of economic improvement, rectification, and deepening reform through hard struggle. We must further push forward the modernization drive in our province.

Hubei Secretary Calls on Martyr's Widow

HK2612124689 Wuhan Hubei Provincial Service in Mandarin 1000 GMT 24 Dec 89

[Excerpt] Yesterday afternoon, leading comrades of the provincial party committee, including Guan Guangfu, secretary; Zhao Fulin, deputy secretary; and Ding Fengying, Zhang Xueqi, and Tian Qiyu, members of the Standing Committee; went to see Comrade (Wang Chunxiang), widow of martyr Comrade (Li Bozhao).

At 1500, soon after arriving at the meeting room on the second floor of the office building of the provincial party committee, Guan Guangfu and other leaders shook hands with Comrade (Wang Chunxiang) one after another and expressed sympathy and solicitude for her. [passage omitted]

Hunan Secretary Inspects Drought-Stricken County

HK2512013089 Changsha Hunan Provincial Service in Mandarin 2300 GMT 23 Dec 89

[Excerpt] On 22 December, Xiong Qingquan, secretary of the provincial party committee, heading a group of responsible people from the departments concerned, made a special trip to inspect the autonomous county of Jianghua Yao, which is currently suffering an extraordinarily serious drought, to express sympathy and solicitude for the people there.

Xiong Qingquan noted: Now the top priority task is to ensure the supply of drinking water to both people and animals in the drought-stricken area.

Jianghua County has been suffering from serious drought since last summer. There has been no rainfall for 115 successive days in this county. Due to the aggravating drought, the county's agricultural output has decreased and has suffered a crop failure. For the present, more than 170,000 people in 53 percent of the villages of the county are running out of drinking water. [passage omitted]

Hunan's Xiong Attends Women's Issues Discussion

HK2612011389 Changsha Hunan Provincial Service in Mandarin 2300 GMT 20 Dec 89

[Text] On the afternoon of 20 December, provincial Party Secretary Xiong Qingquan and Deputy Provincial Party Secretary Shun Wensheng called together heads of women's delegations attending the 11th Provincial Women's Congress and some veteran comrades from women's federations at all levels to attend a discussion. At the discussion, they urged participants to conscientiously and effectively convene the Women's Congress.

At the discussion, all participants freely expressed their views on encouraging women to participate in discussing government and political affairs, training and selecting women's cadres, and creating a good social environment for bringing up qualified female personnel. The atmosphere of the discussion was very lively and vivid.

At the discussion, Comrade Xiong Qingquan said: Over the past 5 years, our province has truly made very great achievements in women's work. Women have held up more than half the sky as far as their influence is concerned. At present, the key task of the party is to implement the spirit of the 4th and 5th plenary sessions. Women's work must serve and be subordinated to the key task of the party. Under the leadership of the party, women must do their own work independently and give full play to women's federations at all levels. During the present economic improvement and rectification, we must particularly give play to the role of women in being industrious and thrifty in managing households and in living a thrifty life. We must strengthen the building of women's federations. Women must make efforts to improve their own political quality.

Xiong Qingquan hoped that through the Women's Congress, good leading bodies for women's federations will be elected and established. He pointed out: Democratic consultation is the broadest democracy. Widespread consultation and centralism on the basis of democracy is a fine party tradition. During the present election, we must carry forward this fine tradition. We are confident that women in our province will actively participate in and discuss government and political affairs. Our women's cadres must also have confidence in this regard.

In conclusion, Comrade Xiong Qingquan hoped that the broad masses of women on all fronts in our province will carry forward the spirit of self-reliance and hard struggle to make new contributions to economic construction, reform, and opening up.

Southwest Region

Guizhou To Streamline Government Organs

HK2612132089 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 23 Dec 89

[Excerpt] Addressing a provincial meeting on controlling the size of service units' staff yesterday, Zhang Shukui, member of the Standing Committee of the provincial party committee, vice governor, and chairman of the provincial Committee for Government Staff Size Control, emphasized that the size of staff of party and government organs, as well as service units at all levels, must be suited to the political tasks of the party and the state. The size must also suit the needs of the reform of the political structure, the reform of the economic structure, and other reforms, so as to ensure a sustained, steady, and harmonious economic development in the province.

Zhang Shukui said: Party committees, governments, and staff size control departments at all levels must strengthen control over the staff size of organs. From now on, in principle, no application by party, government, and mass organizations for expansion of their staff size would be approved and no organizations would be allowed to add staff members beyond their fixed staff size, on their own or in any other disguised form, except where rules set by the CPC Central Committee or the State Council apply or where readjustment is necessary because of the needs of the reform, the opening-up process, or the economic improvement and rectification operation. All local authorities must strictly observe the regulations governing staff size. No organization is allowed to add extra personnel to its staff whose size is fixed by the higher authorities. [passage omitted]

Sichuan Secretary Addresses Procuratorate Meeting

HK2612125789 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 23 Dec 89

[Text] The 6-day provincial chief procurators work meeting closed yesterday. Yang Rudai, Xie Shijie, Zhaxi Cering, (Qiao Zhimin), (Yang Chonghui), (Ouyang Shaomin), and other leading comrades attended the closing session.

During the meeting, provincial party committee Secretary Yang Rudai talked about the procuratorates' work. His speech focused on three points: 1) The necessity to correctly evaluate the situation we are facing and have a correct understanding of the requirements for the procuratorates' work; 2) The several tasks that procuratorates must currently do; and 3) The necessity to strengthen party leadership and step up the organizational development of procuratorates.

Comrade Yang Rudai said: Procuratorates are legal supervisory organs of the state and an important part of the people's democratic dictatorship. The present situation demands that procuratorates at all levels give full play to their functions and ensure the smooth development of the economic improvement and rectification operation and the in-depth reform. It is necessary to unrelentingly carry out the struggle against graft and bribery and carry on the inspection operation to weed out all corrupt elements and wipe out all malpractices. It is necessary to deal prompt and severe blows at serious criminal offenders and to safeguard good social order.

To conclude, Comrade Yang Rudai said: Now that the reform and construction of China are at a crucial stage, the arduous tasks and difficulties arising from the economic improvement and rectification operation, and the many new problems emerging in the process of reform and opening up, have all set new and stricter requirements on our procuratorates. So, it is now particularly important to strengthen ideological and political work, to upgrade our procuratorate personnel, and to improve the quality of the vast number of police officers. It is necessary to organize police officers to conscientiously study the spirit of the 5th Plenary Session of the 13th

CPC Central Committee and the sixth plenary session of the fifth provincial party committee and to encourage them to study philosophy. Through study they will be able to have a clear understanding of the whole situation, reach a consensus, and thus do a better job in their posts.

The provincial party committee has approved the plan to set up a political department in the provincial procuratorate, and procuratorates at all lower levels should also set up and improve their own departments undertaking ideological and political work.

Tibet Secretary Hu Stresses Stability

OW2712052389 Beijing XINHUA Domestic Service in Chinese 1420 GMT 22 Dec 89

[By XINHUA reporters Jiang Zuozhong (3068 0146 0022) and An Cuo (1344 2238) and Central People's Broadcasting Station reporter Suo Lang (4792 2597)]

[Text] Lhasa, 22 Dec (XINHUA)—Hu Jintao, secretary of the Tibet Autonomous Regional CPC Committee, has called for firmly relying on the broad masses of laboring people, including peasant-herdsmen, workers, and intellectuals, to promote stability in Tibet and invigorate the regional economy.

Hu Jintao made these remarks in a speech here today at the eighth enlarged plenary session of the third autonomous regional party committee. Discussing the guiding principles for regional work, he said: Stability is the key to creating a good social environment and maintaining normal order in everyday life and economy; it is Tibet's top political task.

He said: The disturbances which repeatedly occurred in Lhasa over the recent years were premeditated, planned, and organized by the splittists inside and outside the region with the support of foreign hostile forces. Such activities are essentially a serious political struggle aimed at splitting the motherland, opposing the Communist Party, and subverting the socialist system and are the continuation of the struggle against splittism, which has long existed in Tibet. We must be ideologically prepared for a protracted struggle so as to steadfastly lead the masses in carrying out the struggle against splittism to the end.

He pointed out: The masses of laboring people, including peasants, herdsmen, workers, and intellectuals, form the mainstream of the struggle to oppose splittism and to build Tibet; they are the basic forces we have constantly relied upon. Meanwhile, we should trust and bring into play the active role of patriotic personages of all nationalities and from various circles in Tibet who have sincerely cooperated with the CPC and made important contributions to Tibet's revolution and construction over a long time.

On the work concerning minority nationalities, Hu Jintao said: We should carry out the party's nationality policy correctly and comprehensively and, in line with

the provisions in the Constitution and the Law on Regional Autonomy for Minority Nationalities, further improve the system of regional autonomy for minority nationalities in the light of the reality in Tibet so as to ensure fuller enjoyment of autonomy by the people of all nationalities in Tibet. At the same time, we should unequivocally safeguard the motherland's unification, and resolutely resist and oppose all views and acts that advocate independence, semi-independence, or independence in disguise.

Stressing a correct approach and handling of problems related to religions, Hu Jintao said: In order to implement the policy on freedom of religion, the autonomous region has evacuated and reopened a number of temples and places for religious gatherings since the 3d Plenary Session of the 11th CPC Central Committee was convened, thereby satisfying the needs for normal religious life of monks and ordinary people alike. In the future, we should continue to carry out correctly and comprehensively the party's policy on freedom of religion and respect and protect religious activities of believers. He said: Governments at all levels should exercise effective supervision over religious affairs so as to make temples become the venues of genuine religious activities, to educate monks to become patriotic, disciplined, and conscientious religious people by profession, and to make religious activities conform in scope as prescribed by the Constitution and other laws. It is necessary to strictly guard against the splittist forces inside and outside the autonomous region, who will exploit religions to befuddle and incite the masses, stir up trouble, and carry out activities to split the motherland. It is also necessary to do everything possible within the limits prescribed by policies to help solve problems encountered by temples in carrying out normal religious activities.

Turning to the question of intensifying the building of the contingent of cadres, Hu Jintao said: In the past 4 decades or so since Tibet's peaceful liberation, local cadres of minority nationalities, cadres of various nationalities transferred to Tibet from other parts of China, and army cadres have played a major role in Tibet's revolution and construction. They are the forces that our party can entirely count on. However, there are cadres who have failed to keep abreast of the situation in terms of thinking, theory, administrative work, and style. Intensifying the building of the contingent of cadres is an important organizational guarantee for stabilizing the situation and invigorating the economy. He pointed out: In adhering to the principle of the party managing cadres, we should correctly and comprehensively understand the party's four criteria for promoting cadres by consistently considering political integrity the most important criterion. In Tibet, the core of the criterion of political integrity is to safeguard the motherland's unification and the unity among nationalities, a requirement to which we must pay keen attention when training, evaluating, and promoting cadres. It is also necessary to continue to train a large number of cadres of Tibetan and other nationalities who will have communist awareness, devotion to the socialist motherland,

close ties with the masses, and a required level of professional competence. The mainstream of the contingent of cadres should be Tibetans, with cadres of Han and other nationalities constituting certain portions of the contingent.

On Tibet's economic development, Hu Jintao said that the key lies in proceeding from Tibet's reality and bringing into play its advantages in effectively developing its resources to gradually build up its capability for self-development. He pointed out: In order to achieve sustained, steady, and coordinated growth of the Tibetan economy, it is necessary to earnestly carry out the principle of economic improvement and rectification and speed up basic construction, especially to give top priority to agriculture, animal husbandry, and construction of energy and transportation.

Tibet Secretary Attends Party Building Meeting

*HK2812022789 Lhasa Tibet Regional Service
in Mandarin 1130 GMT 25 Dec 89*

[Excerpts] The Tibet Regional Conference on Party Building, Propaganda Work, and Ideological and Political Work was held in Lhasa City on the morning of 25 December.

The regional conference was presided over by Raidi, deputy secretary of the Tibet Regional CPC Committee, and attended by Hu Jintao, secretary of the Tibet Regional CPC Committee; Basang, deputy secretary of the Tibet Regional CPC Committee; Gyaincain Norbu, deputy secretary of the Tibet Regional CPC Committee; and some other regional party and government leaders.

The main tasks of the conference are: 1) to study and implement the spirit of the 5th Plenary Session of the 13th CPC Central Committee, the spirit of the relevant documents of the Central Authorities, and the spirit of the important instructions concerning Tibet issued by the central authorities; 2) to analyze and study the situation concerning party building in Tibet; and 3) to plan the regional Party building, propaganda, and ideological and political work for the year 1990.

On behalf of the Tibet Regional CPC Committee, Hu Jintao, secretary of the Tibet Regional CPC Committee, presented the following seven views on the regional Party building, propaganda, and ideological and political work for the year 1990: 1) To fully understand the great importance and urgency of strengthening the party building, propaganda, and ideological and political work; 2) the CPC organizations at all levels must attach the utmost importance to party building; 3) to strengthen party building and attach great importance to and strengthen propaganda and ideological and political work; 4) to carry on the campaign of screening and rectifying various types of companies through to the end; 5) to strengthen the building of the CPC organizations at all levels; 6) to restore and develop the existing links between the CPC and the masses; and 7) the CPC organizations at all levels must attach great importance

to the building of the party building, propaganda, and ideological and political work contingent. [passage omitted]

Basang, deputy secretary of the Tibet Regional CPC Committee, also relayed the spirit of a recent meeting held by the Central Advisory Commission. [passage omitted]

Tibet Military Region Holds Party Meeting

*HK2812064589 Lhasa Tibet Regional Service
in Mandarin 1130 GMT 25 Dec 89*

[Text] The CPC Committee of the Tibet Regional Military District held a enlarged plenary session on the morning of 24 December.

Entrusted by the Standing Committee of the CPC Committee of the Tibet Regional Military District, Jiang Hongquan, deputy secretary of the CPC Committee of the Tibet Regional Military District and concurrently commander of the Tibet Regional Military District, summed up the work in 1989 and presented the tasks for 1990. Comrade Jiang Hongquan particularly stressed the importance of strengthening the army building.

The Enlarged Plenary Session of the CPC Committee of the Tibet Regional Military District was presided over by (Zhou Chengping), member of the Standing Committee of the CPC Committee of the Tibet Regional Military District and concurrently deputy commander of the Tibet Regional Military District.

While outlining the tasks for 1990, Comrade Jiang Hongquan said that all the troops under the command of the Tibet Regional Military District must conscientiously study and implement the spirit of the 5th Plenary Session of the 13th CPC Central Committee and the spirit of the Enlarged Meeting of the Central Military Commission and do the following: carry out the instructions of the Central Military Commission and the work plans formulated by the PLA Chengdu Military Region; continue to implement the principle of maintaining a high degree of stability and centralized unity among the troops, a principle put forward by the Central Military Commission; continue to implement exactly a series of principles and tasks presented by the Central Military Commission; strengthen the political building of all the troops; ensure the absolute leadership of the CPC over the army and a high degree of stability and centralized unity among all the troops under the command of the Tibet Regional Military District; enable all the troops under the command of the Tibet Regional Military District to remain politically qualified forever; continue to improve the combat effectiveness of the troops; strengthen the comprehensive building of the troops; conscientiously fulfill the sacred task of defending the border and stabilizing the situation in Tibet; push ahead with all types of work in a coordinated way; and ensure the successful accomplishment of all tasks.

After outlining the tasks for 1990, Comrade Jiang Hongquan laid particular stress on strengthening the political building of the troops, on the building of the CPC committees at all levels, and on comprehensive army building.

Fourth Tibet CPC Congress Scheduled

*HK2812071389 Lhasa Tibet Regional Service
in Mandarin 1430 GMT 24 Dec 89*

[Resolution Adopted by the Eighth Plenary Session of the Third Tibet Regional CPC Committee on the convening of the Fourth Tibet Regional CPC Congress on 24 December 1989]

[Text] The Eighth Enlarged Plenary Session of the Third Tibet Regional CPC Committee pointed out: Under the cordial concern and correct leadership of the CPC Central Committee, all the party members, the cadres, the masses of all nationalities, and some people's liberation army [PLA] and armed police commanders and fighters have persisted in simultaneously grasping the stabilization of the situation with one hand and grasping economic construction with another hand. As a result, Tibet's situation is gradually tending to be stable and economic construction is steadily developing.

The time for convening the fourth party congress is basically ripe. According to the provisions of the party Constitution and with the consent of the CPC Central Committee, it is decided that the Fourth Tibet Regional CPC Congress will be held between June and July 1990. The total number of deputies of the Fourth Tibet Regional CPC Congress is 450. According to the number of deputies allocated by the regional party committee, Lhasa City and all counties, cities, and districts will in turn hold a party congress or representative meeting to elect their deputies to the fourth congress. The units at the regional and prefectural level will in turn will hold party representative meetings or meetings of party members to elect their deputies.

The plenary session called on the party organizations at all levels throughout the region and the Communist Party members to seriously implement the spirit of the 4th and 5th Plenary Session of the 13th CPC Central Committee and of the important instructions of the Standing Committee of the Political Bureau of the CPC Central Committee on Tibet work. The plenary session also urged them to closely rally around the Party Central Committee with Comrade Jiang Zemin as the core, to carry forward the glorious traditions of relying on ourselves and working hard to start an undertaking, to continuously adhere to the principle of grasping with two hands simultaneously, to really do a good job in the struggle against splittism and in improvement, rectification, and deepening reform, and to greet the successful convening of the Fourth Tibet Regional CPC Congress with outstanding achievements in the stabilization of the situation and economic development.

Tibet Radio Commentary Stresses Stability*HK2612141589 Lhasa Tibet Regional Service
in Mandarin 1130 GMT 23 Dec 89*

[Text] We are now broadcasting a radio commentary entitled: Stabilizing the Situation Is the Task of Top Priority in Our Region.

Comrade Deng Xiaoping has pointed out: Without a stable environment, everything will fall apart, and the achievements we have made will also be destroyed. At present, the struggle between splittism and anti-splittism in our region is still very acute. Stabilizing the situation is a political task of top priority for our region.

During the past year our regional party committee presented a guiding principle of stabilizing the political situation with one hand and grasping economic construction with the other. This has demonstrated inherent links between stabilizing the political situation and developing the economy. We have made gratifying progress in stabilizing the political situation in our region. The key content of stabilizing our political situation has been to effectively carry out the struggle of opposing splittism. In recent years, a host of facts have shown that the Dalai's clique has in no way changed its stance of splitting the motherland. It has now become a tool of the international anti-Chinese forces. We must carry out a tit-for-tat struggle against them.

To effectively carry out our struggle against splittism we must, first of all, understand the nature and roots of the riots in Lhasa. The riots in Lhasa were stirred up against a striking international and domestic background which also had deep social and historical roots. The essential aim was to split the motherland and oppose the Communist Party. This is a serious political struggle under the socialist system and is a continuation of the struggle between splittism and anti-splittism. Therefore, simply attributing the riots in Lhasa to long-term stagnation does not tally with historical facts. We must unify and enhance the ideological understanding of our cadres and masses.

To win a decisive victory in the struggle against splittism, we must take a clear-cut stand to resolutely fight against splittist forces, both at home and abroad. We must present the facts and reason things out to forcefully expose the crimes of the Dalai clique of undermining the unity of the motherland, nationality solidarity, and social stability under the pretext of religion and human rights, so that people can see through the reactionary features of the Dalai clique.

To maintain our political stability we must firmly rely on the broad masses of our peasants, herdsmen, workers and intellectuals, and other laboring people. They are the basic force upon which we must rely. They are the pillar for carrying out the struggle against splittism and building a new Tibet. They are the profound class basis of our party. We must never hesitate or waver before this issue.

To do well in our struggle against splittism, we must fully have faith in patriotic personages of various nationalities and from various circles who have been cooperating and working together with our party for a long time. We must give play to their positive role. We must continue to develop and expand our patriotic united front and unite with all forces that can be united.

To stabilize our political situation and do well in the struggle against splittism we must persist in the people's democratic dictatorship. We clearly realize that we are unable to carry out construction when an earthquake has occurred. Faced with the grave situation of the struggle between splittism and anti-splittism, our people's democratic dictatorship must be strengthened rather than weakened. We must further give play to the role of our People's Liberation Army [PLA] and armed police forces in exercising the people's democratic dictatorship. We must take a lesson from our previous mistakes of failing to guard against splittist forces. We must fight against them resolutely and take forceful measures in the struggle. We must continue to strengthen the building of the PLA, People's Armed Forces, public security cadres and policemen, and the People's Militia. We must adopt various measures to exercise all-round control so that the splittist elements do not dare act rashly in front of the powerful people's democratic dictatorship.

To do well in our struggle against splittism we must conscientiously implement party policy. We must strictly differentiate the two kinds of contradictions, unite with and educate the majority of the people, isolate and attack the small number of splittist elements and serious criminal elements, and consolidate and develop our political situation characterized by stability and unity.

North Region**Beijing's Li Ximing Attends Commendation Meeting***SK2712112889 Beijing BEIJING RIBAO in Chinese
16 Dec 89 p 1*

[Excerpts] A total of 612 outstanding workers in charge of party affairs who have worked hard and made achievements in party building were commended by the Beijing Municipal CPC Committee on 15 December. Simultaneously, "30-year honorary performance certificates" were issued to 3,865 veteran party members. [passage omitted]

Amid warm applause, on behalf of the municipal party committee, Li Ximing, secretary of the municipal party committee, extended warm greetings and respects to the comrades who have been commended. After that, he stressed the historical mission of the party affairs workers.

Li Ximing said: China has to persistently take the socialist road under the leadership of the CPC. This is a correct choice made through the development of history and herein also lies the fundamental interests of the

whole party, all people, and the Chinese nation. Persistently taking the socialist road is by no means easy sailing. We will certainly encounter the attacks and challenges launched by various forces at home and abroad. We must attend to the building of the party as well as party organizations at various levels, particularly grass-roots party organizations. This is also the duty of the broad masses of party affairs workers. To build party organizations at various levels into powerful fighting forces, we must defend the four cardinal principles and persistently and resolutely wage the struggle against bourgeois liberalization. Under the new situation, we should continuously improve the work of the party; and better inherit, carry forward, and further develop the party's fine traditions and its precious experiences in party building. To this end, we must build a rank of well-trained party affairs cadres with ideological stability, political integrity, and professional ability, and cultivate a group of "professional revolutionaries" who are loyal to the cause of the party. This is not only a key component of the enhancement of party building but also an organizational guarantee for fulfilling the tasks of the party. The image of party affairs cadres has been made ugly and the ranks of party affairs cadres have been attacked and weakened due to the influence of the problems within the party and the overflow of bourgeois liberalization over the past few years. Those who advocate bourgeois liberalization comprehensively negated the party's position and functions, weakened the leadership of the party, disintegrated the organization of the party, corroded the thinking of the party, and even incited and supported turmoil and rebellion; thus bringing about extremely big losses to party building and the work of the party. The lessons are profound.

He stressed: As demanded by a major international climate as well as a lesser domestic climate, the broad masses of party affairs workers should politically stay sober-minded and alert, take a clear-cut stand to hold high the banner of socialism, and uphold party spirit and principles. In the face of danger and menace of "peaceful evolution" in our country as well as some socialist countries, launched by the international monopoly capitalist class, we can clearly understand that the party must be a powerful fighting force guided by Marxism-Leninism-Mao Zedong Thought and prevent it from being internally broken into. Only when problems cease to crop up within the party and the whole party is unified and powerful and has cohesive power, creativeness, and combat effectiveness will socialist China be able to become increasingly more prosperous, powerful, and advanced with each passing day. So, the broad masses of party affairs workers should make unswerving efforts to attend to this. [passage omitted]

Li Qiyang, deputy secretary of the municipal party committee, chaired the meeting. Chen Guangwen, Standing Committee member of the municipal party committee and director of the organizational department, read the namelists of the outstanding party affairs workers who have been commended.

Present at the meeting were Chen Xitong, Wang Xian, Bai Jiefu, Wang Jialiu, Wang Guang, Li Jinmin, Meng Zhiyuan, Yuan Liben, Huang Chao, and Wu Yi, leaders of the municipality; Meng Liankun, deputy director of the central organizational department; and Peng Hui, director of the organizational bureau.

Beijing Expels Over 150,000 Outside Workers

HK2712104489 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0659 GMT 18 Dec 89

["150,000 Workers From Places Other Than Beijing Are Required To Leave the City"—ZHONGGUO TONGXUN SHE headline]

[Text] Beijing 18 Dec (ZHONGGUO TONGXUN SHE)—By the end of September this year, Beijing had required 157,000 workers from other parts of the country to return to their home areas. This number accounted for 62.3 percent in the annual cutback plan.

A survey by relevant departments in September 1988 showed that there were 738,000 peasant-workers from other provinces in the capital city. That population went beyond the bearing capacity of Beijing, which was already overloaded, and created greater difficulties during the unemployment peak which surfaced this year. Many units were overstaffed on the one hand; on the other, laborers were hired.

Various districts in Beijing and counties under its jurisdiction have already axed 103,000 workers. The city's industrial system has axed 9,000 personnel with an additional 12,000 axed by central units in Beijing. Military departments have also axed some 1,000 laborers.

Hebei's Xing Chongzhi Addresses Journalism Forum

SK2712103089 Shijiazhuang HEBEI RIBAO in Chinese 12 Dec 89 p 1

[Excerpts] At 0800 on Sunday, 10 December, Xing Chongzhi, secretary of the provincial party committee; and Li Wenshan, deputy secretary of the provincial party committee; who were accompanied by members of the provincial party Standing Committee and Liu Ronghui, director of the propaganda department; came to the journalist study class attended by chief editors from the party newspaper offices throughout the province and held a forum with the chief editors on the issue of how to successfully conduct the party's journalist work and to deeply publicize the spirit of the 5th Plenary Session of the 13th CPC Central Committee.

The study class sponsored by the Propaganda Department under the provincial party committee, was held from 2 to 10 December. [passage omitted]

During the forum, Xing Chongzhi delivered a speech. In referring his speech to the current tasks the party newspapers face, Xing Chongzhi stated that the 5th Plenary Session of the 13th CPC Central Committee had been convened at the important juncture of our country

developing its economy. The policy decisions adopted at the plenary session are very important. By using the spirit of the fifth plenary session, the party newspapers should arm the entire party and educate cadres and the masses to unify their thinking; to do a good job in improving the economic environment, rectifying economic order, and deepening the reform drive; and to have the province's economic work achieve sustained, stable, and harmonious development. In line with the central task, the party newspapers should vigorously engage in propaganda work. In his speech, Xing Chongzhi, in line with the province's actual situation, earnestly exhorted the participating editors further that Hebei is a large agricultural producing province and that it is imperative for the province to continuously push agriculture forward and to enhance the building of basic industries. The overheated phenomenon does not cover all sectors of the economy. The agricultural sector has mainly experienced the problem of decline and that of basic industries has also not been heated. By proceeding from reality, we should curtail the economic projects which deserve to be curtailed and keep on developing those that deserve to be developed. In successfully improving the environment and rectifying order, we should rely on the enthusiasm of cadres and the masses and on the party's policies. Only by stabilizing the policies can we protect and bring into play the enthusiasm of cadres and the masses. In developing production, we should depend on scientific and technological progress and on various industries and trades to enhance their scientific management. [passage omitted]

In referring to enhancing the ideological building of the journalist contingent, Xing Chongzhi stated in his speech: Efforts should be made to master the method of applying the dialectical viewpoint to approaching problems. This requires us to objectively reflect the original appearance of things. Originally, everything has two sides. By only reflecting one side of things, it is inevitable for us to commit the error of onesidedness. In attaching importance to the economy, we should not neglect ideological and political work. Without carrying out material incentive and regarding money as being all-powerful, we will have no money to do anything. In stressing the ideological and political work, we should not again regard "the spirit as being all-powerful." The idea of being overanxious for quick results represents subjectivism, a practice which is divorced from reality. The consequence of such an idea will not only damage the economy but also dampen the enthusiasm of the broad masses of cadres and the people. Chief editors should study philosophy and materialist dialectics and have the whole situation in their mind. The chief editors of party newspapers at the prefecture-city level should not only attend the meeting concerned sponsored by the prefectural and city party committees but also directly report their work to the secretaries of prefectural and city party committees and to the commissioners and mayors of various prefectures and cities so as to exchange opinions and to learn about the local situation as a whole and the intention of the party committees in a timely manner.

Party committees at the prefecture-city level should attach importance to newspaper work. [passage omitted]

The forum lasted for 3 hours and also attending the forum were responsible comrades from the journalist and publication units in the province's capital, the radio and television broadcasting stations, and the provincial journalists' association.

Hebei Conference Held on Wiping Out Illiteracy

SK2712051589 Shijiazhuang HEBEI RIBAO
in Chinese 5 Dec 89 p 1

[Text] On the afternoon of 4 December, the provincial government held a telephone conference to arrange the work of wiping out illiteracy. Wang Zuwu, vice governor of the province, made a speech at the conference.

Since the provincial government's promulgation of the "Hebei Provincial Measures for Wiping Out Illiteracy" in 1988, our province has made new improvements in wiping out illiteracy. As of last August, 340,000 people across the province attended literacy classes. Through the acceptance tests by various localities, 215,000 people have freed themselves from illiteracy, overfulfilling the assigned anti-illiteracy task. However, the development of the work is not even. The literacy rate of three prefectures and cities is still below 95 percent. To accelerate the pace of wiping out illiteracy and achieving the work in a down-to-earth manner, the provincial government decided to conduct monthly propaganda on wiping out illiteracy every December.

After relaying the guidelines of the recent national conference on wiping out illiteracy, Wang Zuwu set forth requirements for grasping the province's anti-illiteracy work. 1) We should further upgrade our understanding about the anti-illiteracy work and make unswerving efforts to attend to the work. The work of wiping out illiteracy is an educational task as well as an economic and political task. So, we must enhance the sense of urgency and the sense of responsibility, place the work on the main work agenda, realistically strengthen leadership, mobilize all social forces, and adopt effective measures for firmly attending to the work. 2) We should define duties, and set up and perfect the system of quota management and responsibility for wiping out illiteracy. The localities with anti-illiteracy tasks should carry out the system of administrative leaders assuming responsibility for wiping out illiteracy and the quota management and responsibility system; and assign the anti-illiteracy tasks to each level and each individual. At the same time, we should regard the schools' results in wiping out illiteracy as an important content to judge the performances of schools and their presidents. 3) We should work out policies of encouraging the illiterate to engage in study. Counties and townships should work out, in line with their actual conditions, local rules for wiping out illiteracy; encourage the illiterate and the semi-illiterate to positively attend literacy classes; and strive to attain the anti-illiteracy targets within the fixed

time. It is necessary to apply educational, administrative, and economic sanctions against and impose restrictions and punishment on the illiterate and the semi-illiterate who refuse to carry out anti-illiteracy obligations. 4) We should conscientiously study the special features of the anti-illiteracy work and strive to upgrade the results in wiping out illiteracy. We should pay attention to improving the teaching contents and methods of the anti-illiteracy education, and proceed from the actual conditions to help peasants develop agricultural production and enrich their cultural life, to link the study of culture with that of technology, and to combine the elimination of illiteracy with that of poverty. Efforts should be made to have those who attend literacy classes grasp one or two practical skills and to have the youths who attend the classes attain an educational level of primary school graduates. 5) We should achieve a success in collecting funds for the anti-illiteracy education and strengthen the management and usage of funds.

Hebei Iron Company Fulfills Production Target

OW2212190589 Beijing XINHUA in English
0855 GMT 22 Dec 89

[Text] Beijing, December 22 (XINHUA)—The Tangshan Iron and Steel Company in north China's Hebei Province had produced 1.43 million tons of steel, 400,700 tons of iron, 1.077 million tons of rolled steel and 1.27 million tons of commodity billets by December 15.

This means that the company hit this year's production target 16 days ahead of time.

By the end of last November the company had produced an output value of 706 million yuan and recorded 370 million yuan in profits and taxes—increases of 5.6 percent and 16.3 percent, respectively, over the same period last year.

Wang Qun Relected Inner Mongolia Secretary

SK2812034989 Hohhot Inner Mongolia Regional
Service in Mandarin 2300 GMT 27 Dec 89

[Text] The First Plenary Session of the Fifth Inner Mongolia Autonomous Regional CPC Committee opened in the city of Hohhot on 27 December. During the session, the participating members elected the members, secretary, and deputy secretaries of the fifth autonomous regional party committee.

Comrade Wang Qun presided over the plenary session on the afternoon of 27 December. Attending the session were 48 members and 6 alternate members of the fifth autonomous regional party committee.

During the session, the participating members elected by secret ballot 10 members of the autonomous regional party Standing Committee, including Wang Qun; Bu He, Mongolian; Zhang Dinghua; Qian Fenyong, Mongolian; Geriletu, Mongolian; Wen Jing, Mongolian; Liu Yunshan; Yang

Enbo, Hui nationality; and Wuyunqimuge, female, Mongolian. They also elected Wang Qun secretary of the fifth autonomous regional party committee; and Bu He, Zhang Dinghua, and Qian Fenyong deputy secretaries of the fifth autonomous regional party committee.

Northeast Region

Heilongjiang's Sun Addresses Technology Meeting

SK2412110089 Harbin Heilongjiang Provincial
Service in Mandarin 2200 GMT 23 Dec 89

[Text] At the provincial meeting to exchange experience in launching the campaign of the winter of science and technology, 101 [words indistinct] Armed Forces and reserve service regiments and battalions were commended and awarded and more than 40 militia and reserve service organizations and some advanced individuals emerging from the campaign were awarded. The program of the winter of science and technology, jointly launched by the provincial military district, the provincial Association for Science and Technology, and the provincial Civil Affairs Department, involved some 1 million militiamen, reserve servicemen, and retired soldiers in the past 4 years. A total of 30 million mu of farmland was cultivated with new technologies and 1,446 [words indistinct] and processing technologies were popularized in the course of learning and popularizing some key agrotechnologies, such as the methods for maintaining an optimum cultivation of corn and the methods for cultivating paddy rice on dry land that suits the local weather conditions. All this has helped the province revitalize its agriculture.

At the meeting, the provincial military district called for converting the campaign of the winter of science and technology into a general strategic program for relying on science and technology to rejuvenate the province. The program would be carried out next year. In working out the plans for launching the fifth campaign of the winter of science and technology, localities should pay full attention to putting scientific and technological progress in a dominant position, bring their special characteristics and advantages into full play, and strive to gain prominent results.

Sun Weiben, secretary of the provincial party committee; and Shao Qihui, governor of the provincial government, made speeches at the meeting. They urged the broad masses of militiamen and reserve servicemen and the retired soldiers to positively go into action; immediately engage themselves in the campaign to develop agriculture on a large scale according to the requirements of the fourth plenary session of the sixth provincial party committee; take the lead in developing farmland water conservancy projects, positively transforming low- and middle-yield farmland, and develop agricultural resources; and strive to make contributions to transforming and developing the Sanjiang plain and Songhua-jiang-Nenjiang plain.

Heilongjiang Holds Public Security Conference*SK2312071789 Harbin Heilongjiang Provincial
Service in Mandarin 1000 GMT 12 Dec 89*

[Text] On the afternoon of 12 December, Governor Shao Qihui delivered a speech at the provincial work conference on rectifying and improving public security. He urged various social circles, including party members, government officials, servicemen, students, and the people throughout the province to go into action immediately to resolutely and effectively consolidate public security in a comprehensive way and to create a stable, peaceful, and harmonious climate for ensuring the smooth fulfillment of the task of improving the economic environment, rectifying economic order, and deepening the reform drive as well as ensuring that the people throughout the province work and live normally.

Shao Qihui stated: Recently, the provincial people's government organized the departments concerned to carry out a poll in which the vast number of people demanded that there no longer be turbulence in politics, abrupt price hikes in the economy, and constant fear of livelihood in public security. Judging from the poll, the vast number of people have regarded public security as a big issue for which they have shown great concern.

He stated that Comrade Sun Weiben, on behalf of the provincial party committee, delivered a speech at the fourth plenary session of the sixth provincial party committee, which just concluded, in which he urged Communist Party members, party organizations, and governments at all levels throughout the province to exert an all-out effort to do what the masses have eagerly expected and to resolutely discard what the masses have rejected. Only by so doing can the party win over the people's trust and be a community which represents the people's interest, can the government be an office owned by the people, can the party lead or unite with the masses to build socialism. In line with this demand, the provincial party committee and the provincial people's government have decided, from mid-December this year to the end of 1990, to regard as the province's big event the work of rectifying and improving public security and as an important task which must be emphatically carried out in 1990 by the provincial party committee and the provincial people's government.

Shao Qihui put forward the following focal points of consolidating public security in a comprehensive way:

1. Efforts should be made to uphold the four cardinal principles and to achieve political stability. We should adopt effective measures to eliminate or break up the unstable factors, to actively and adequately prevent or deal with various problems concerning instability, to earnestly do a good job in carrying out the work of examination and investigation, to deeply wage a struggle against bourgeois liberalization, to resist the infiltration and attack of Western capitalist countries, and to enable the broad masses of cadres and people throughout the province to enhance their confidence in overcoming the

difficulties; to make concerted efforts in successfully carrying out improvement, rectification, and reform; and to consolidate or develop the political situation of stability and unity.

2. Continuous efforts should be made to wage a struggle in dealing strict blows at crimes and to achieve stability in public security. We should deal strict blows at serious crimes or economic crimes and carry out consolidation in a proper manner in every special arena. At present, the focal point of dealing blows at crimes should be placed on punishing the increasingly rampant criminals guilty of hold-ups, rape, blackmail, swindling, and disturbances caused by hoodlums. We should adopt resolute and decisive measures to clamp down on the arrogance of criminals and strive to score great achievements in a shorter period in the work of rectifying and improving public security.

3. We should apply the law, regulations, rules, and the systems to standardizing the people's ideology and behavior so as to bring about a turn for the better in social order. Through publicizing and implementing the law, regulations, rules, and the systems, we should foster a normal and good order in the fields of production, work, teaching, scientific research, communications, and of various public places throughout the province so as to ensure the normal functioning of various managerial systems.

4. Efforts should be made to totally eliminate the six social vices to purify the social morale.

In his speech, Shao Qihui stated that the work of consolidating public security is a unified action which affects the situation as a whole and has been designed under the special historical condition, according to the spirit of the central directives, and in line with the province's actual situation. Localities, departments, and units should formulate their own specific plan for the work or for implementing the work in line with their actual situation; to orient the work of rectifying and improving public security into the overall arrangements for improving the economic environment, rectifying economic order, and deepening the reform drive, on their important daily schedule, and on the responsibility system undertaken by leading personnel for fulfilling the certain target.

In his speech, he stated: In consolidating public security in an overall way, units from top to bottom and various social circles throughout the province should join in the activities immediately and make concerted efforts to mutually conduct management. In consolidating public security in a comprehensive way, efforts should be made to integrate the preventive measures with those of dealing blows, to take radical and stopgap measures simultaneously, and to strictly enforce administrative discipline. We should arouse, organize, and rely on the people throughout the province to wage a people's war and to create a climate in which good people feel proud and elated and bad elements are regarded as the object of

universal condemnation so as to have all criminals unable to hide themselves from the public.

Jilin Concludes Taiwan Compatriots Congress

SK2812040189 Changchun Jilin Provincial Service in Mandarin 1030 GMT 27 Dec 89

[Text] The third Taiwan Compatriots Congress of Jilin Province concluded in the city of Changchun on 27 December. Since the second congress in 1986, the provincial Federation of Taiwan Compatriots has vigorously carried out the liaison work oriented to Taiwan and overseas in line with the general goal of reunifying the motherland and making China flourish and by bringing into play its strong point of extensive overseas contacts. It has also scored marked achievements in actively playing a bridge role in introducing outside technologies and funds to the province to enhance economic construction.

During the congress, the 70 delegates of Taiwan compatriots studied and discussed the spirit of the 4th and 5th plenary sessions of the 13th CPC Central Committee and the speech by Secretary General Jiang Zemin on National Day, heard and discussed the work report submitted by the 2d committee of the provincial Federation of Taiwan Compatriots, revised and approved the new regulations, and elected the 3d executive committee of the provincial Federation of Taiwan Compatriots.

During the congress, Cai Qiyun, vice chairman of the provincial Committee of the Chinese People's Political Consultative Conference [CPPCC] and chairman of the provincial Taiwan Democratic Self-Government League, was elected again as honorary chairman of the provincial Federation of Taiwan Compatriots. Yuan Baixiong, member of the provincial People's Congress Standing Committee and the council under the National Taiwan Democratic Self-Government League, was elected president of the provincial Federation of Taiwan Compatriots. Wang Mingxi, former president of the provincial Federation of Taiwan Compatriots, was elected adviser to the provincial Federation of Taiwan Compatriots.

Attending the opening ceremony of the congress to extend congratulations on the occasion were leading comrades from the provincial party committee, the provincial Advisory Commission, the provincial People's Congress, the provincial people's government, and the provincial CPPCC Committee, including Gu Changchun, Zhang Fengqi, Feng Ximing, Cui Lin, Li Dezhu, and Geng Yuelun; and responsible comrades from the All-China Federation of Taiwan Compatriots and the Taiwan compatriots federations of Liaoning and Heilongjiang provinces.

Comrade Gu Changchun delivered a speech during the congress.

Liaoning Military Leaders Attend Award Ceremony

SK2412055589 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 23 Dec 89

[Text] On the morning of 23 December at the Bayi theater of the Shenyang Military Region, the central television station and the General Political Department of the People's Liberation Army [PLA] cosponsored a meeting to award outstanding television programs produced by the PLA units. (Yang Weiguang), deputy director of the central television station; (Zhao Ziming), deputy director of the Propaganda Department of the General Political Department; Liu Jingsong, commander of the Shenyang Military Region; Song Keda, political commissar of the region; Wang Julu, deputy secretary of the Liaoning provincial party committee; Chen Suzhi, vice governor of Liaoning Province; (An Gumin), director of the provincial radio and television department; and (Gao Baozhi), director of the provincial television station, were present at the awarding meeting.

After the prize-giving ceremony, (Zhao Ziming), (Yang Weiguang), Wang Julu, and Liu Jingsong respectively made ebullient speeches at the meeting. Liu Jingsong said over the past 4 years, the central television station broadcast nearly 1,000 news items and more than 60 special reports concerning the Shenyang Military Region; prominently propagated the PLA units' dangerous and difficult tasks such as fighting floods, rushing to deal with emergencies, extinguishing the Daxinganling forest fire, and quelling the counterrevolutionary rebellion that took place in Beijing at the turn of spring and summer this year; eulogized a large number of advanced units and model figures; and made great contributions to disseminating the glorious traditions of the People's Army and the fruitful achievements in making the Army become more revolutionary, modernized, and regularized. He encouraged the television and press workers in the PLA units to make more progress during the new year.

Liaoning Meeting Discusses 1990 Planning

SK2712120689 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 23 Dec 89

[Text] The provincial planning meeting opened in the city of Shenyang on the morning of 23 December. The spirit of the national planning conference was relayed at the meeting.

During the meeting, Zhu Jiazhen, vice governor of the province, delivered a speech entitled "Heighten Spirit, Take the Whole Situation Into Consideration, and Successfully Formulate Plans for 1990."

In his speech, Zhu Jiazhen emphatically stressed that a good job should be done in grasping the following tasks in line with the principle of fulfilling the goals of economic development in 1990:

1. The people throughout the province should rally themselves to strive to reap a bumper agricultural harvest next year. A good job should be done in implementing the state measures of attaching importance to agriculture and of supporting agricultural production, in stabilizing the policies of the rural economy, in increasing the input of agriculture, and in making efforts to grasp the basic work of agriculture. Efforts should be made to emphatically and successfully provide water supplies for current agricultural production, to continuously upgrade the capability of the Liao He in preventing floods in addition to building various construction projects, to reinforce the irrigation reservoirs, to continuously and deeply launch the campaign of regulating watercourses with the central task of farmland capital construction, to encourage peasants to increase their accumulations earned through labor work, to organize peasants to join in the construction of water conservation works, to carry forward the work of water and soil conservation, to level farmland, to improve the conditions of agricultural production, and to enhance the capability of combating natural disasters. We should also bring farmland construction under strict control so as to ensure relative stability in the sowed acreage of grain crops. A good job should further be done in building the projects for developing agriculture to enhance the reserve strength of agricultural development. Efforts should be made to gradually establish a system which serves agricultural production, to successfully engage in the production and supply the means of agricultural production, to earnestly implement the decisions made by the State Council on having science and technology make agriculture flourish, to continuously popularize practical agricultural technologies, to upgrade the capability of comprehensive production in agriculture, and to achieve stable and high yields.

2. Efforts should be made to readjust the structure, to increase economic results, and to maintain stable development in industrial production. A good job should be done in emphatically grasping the production of energy resources, particularly production of electric power; in allocating and transferring coal; in dealing with the weakening of markets; and in increasing the volume of effective supplies. In line with the principle of relieving the strained situation in energy resources, particularly in power supply, we should put the emphasis of industrial production on readjusting the product structure and increasing economic results as well as on depending on scientific and technological progress and increasing the variety of new products, new crafts, and new technologies. In line with the state industrial policies and the provincial implementation measures, we should resolutely eliminate or merge the production of products which have consumed high energy resources, caused serious pollution, and must be sold at high prices. Efforts should be made to fix the production quota in line with the sale volume for a number of products and to give support in the fields of energy resources and transportation to the products which are in short supply, are needed by the people for livelihood, and enjoy brisk sales

in the markets. We should enforce a special policy for large and medium-sized enterprises and enliven them. Based on enforcing the state policy of double protections, our province should enforce the special policy among 107 large and medium-sized enterprises. By using of the weakening of markets and the favorable opportunity of readjusting the exchange rate, we should actively open up markets both at home and abroad.

3. Efforts should be made to bring the scale of investments in fixed assets under strict control and to readjust the investment structure. To effectively bring the scale of investments under strict control, from 1990 on, we should bring double investment indexes in capital construction under control—bringing under control the scale of annual investments and the general scale of investments in reconstruction projects. Continuous efforts should be made to bring reconstruction projects under control and to strictly bring the newly started projects under control.

In his speech, Zhu Jiazhen also put forward the 1990 plans for markets, commodity prices, foreign trade and export, finance, science and technology, education, culture, and employment; as well as the implementation measures for fulfilling these plans. [passage indistinct]

Liaoning Reports Trade Achievements

SK2712041189 Shenyang LIAONING RIBAO
in Chinese 12 Dec 89 p 1

[Summary] Liaoning Province has scored gratifying achievements in foreign trade this year. During the January-October period, the province exported \$3.728 billion of commodities and fulfilled the state assignment by 102.5 percent, an 11 percent increase over the same period of 1988. The province exported \$1.825 billion of local commodities and fulfilled its export contract signed with the state by 149.2 percent, an 11.2 percent increase over the same period of 1988. Both the speed and the increased scale of fulfilling the state export assignment have ranked the province first in the country.

The province has signed 367 contracts of utilizing foreign funds which total \$920 million. Of the 367 contracts, 314 are with funds directly invested by foreign firms which total \$580 million, and 53 are with loans raised by foreign countries which total \$340 million, the largest figure of foreign loans received by provinces across the country.

The province has newly opened 214 enterprises with the "three funds," a 15 percent increase over the same period of 1988, and the total volume of these funds has reached \$545 million, a 41 percent increase over the same period of 1988. At present, the province has 691 foreign-funded enterprises which rank the province third in the country.

The province has signed 32 contracts with foreign countries on technical exports, which are worth \$21.2 million,

a \$4.95 million increase over the total volume of 1988, and which ranks the province second in the country.

The province has signed 106 contracts of construction projects with foreign countries, which are worth \$92.42 million, an increase of 2.8 times over the same period of 1988. The number of exported labor forces in the year has shown an increase of 4.3 times over 1988.

Liaoning Reports Rural Economic Results

SK2712035989 Shenyang Liaoning Provincial Service in Mandarin 2300 GMT 26 Dec 89

[Text] According to the statistical information of pertinent departments of the province, our province's rural economic situation has been fairly good this year. As of now, except for grain output, which declined by a fairly large margin as compared with last year, the output of cotton, fruits, flue-cured tobacco, animal husbandry, and aquatic products has shown an increase over last year, and continues to rise.

Despite serious natural disasters this year, which made the total output of grain and soybeans drop to the lowest level since 1974, the province's cotton output increased by 22.4 percent over last year, reaching 7,808 tons; its flue-cured tobacco output increased by 34.2 percent, reaching 29,600 tons; and its marketable vegetable output increased by 3 percent, by and large ensuring the vegetable supplies for cities. The province has afforested 2.55 million mu of land this year. The number of pigs slaughtered totaled 7.2 million, an increase of 4.1 percent over last year, and setting a new record. The total output of aquatic products will also exceed 1 million tons, more than 5.7 percent over last year.

In the process of improvement and rectification, township enterprises have overcome and transformed many unfavorable factors. Their annual industrial output is expected to reach 26.2 billion yuan, 15.3 percent over last year; and their economic results will also improve.

The statistical information also showed that the per-capita net income of peasants will not decline despite the serious disasters. It is expected to reach approximately 700 yuan, remaining the same or a little higher than last year.

Liaoning Completes Microwave System

SK2712112089 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 22 Dec 89

[Text] The microwave communication line between the cities of Dandong and Dalian was formally put into operation on 22 December. Zhu Gaofeng, vice minister of posts and telecommunications, and (Chi Derong), secretary general of the provincial people's government, who are on their inspection tour in the city of Dandong, cut the tape at the opening ceremony of the communication system.

The communication line between the cities of Dandong and Dalian goes through two cities and four counties and is 311.7 km long. There are five microwave communication stations between the two cities and each station has a transmission tower. The total investment in this communication project reached more than 13 million yuan. The project was started in 1985, was completely built in September 1988, and has been put into operation on a trial basis for 1 year. The trial operation has proven to be basically qualified to meet the demands set forth by the designed target. This microwave communication system consists of 960 long-distance telephone lines and can provide 120 carrier communication lines for the operation between Dandong and Shenyang and between Dandong and Dalian and 60 carrier communication lines for the operation between the counties of Donggou and Zhuanghe. It can transmit semi-automatic and automatic long-distance telephone calls, radio facsimiles, stereo FM broadcasting programs, and [words indistinct] computer data. Thus, the history of Dandong City which could not directly dial a call to other provinces in the country or to foreign countries has been ended.

The opening of the microwave communication system between the cities of Dandong and Dalian has formed a microwave communication network connected in all directions in the province and provided preconditions for carrying out economic construction in the province and opening Liaodong Peninsula to the outside world.

Northwest Region

Qinghai Conference Views Township Enterprises

HK2812064789 Xining Qinghai Provincial Service in Mandarin 2300 GMT 26 Dec 89

[Excerpts] Developing township and town enterprises is the only way to build a new socialist countryside.

This was remarked yesterday by acting Governor Jin Jipeng at a provincial township and town enterprise work conference.

Jin also said: To this end, we have to start with deepening the reform in those enterprises and improve their quality. Only by so doing will we be able to ensure a sustained and stable development of township and town enterprises.

Jin Jipeng continued: Under the macroeconomic situation of improving the economic environment and rectifying the economic order, the huge potential of developing township and town enterprises is far from being fully tapped and there is plenty of opportunity to display their prowess in serving large and medium-sized enterprises, promoting export products for earning foreign exchange and providing service for production and life of peasants. Viewing the actual situation in our province, he added, township and town enterprises are still small in number and their quality is still low. While concentrating on developing a certain number of backbone

township and town enterprises, we must support peasants to boldly run some individual and private enterprises of the kind so as to vigorously promote the development of township and town enterprises in our province. [passage omitted]

Acting Governor Jin Jipeng stressed that party committees and governments at all levels should strengthen their leadership over township and town enterprises, put the work of developing those enterprises on their work schedule, select and assign a certain number of capable cadres working in an intensive pioneering effort and a strong sense of responsibility to township and town enterprises to strengthen their management and increase their capacity of self-development.

Qinghai Province Reports Revenues, Quotas

*HK2612030389 Xining Qinghai Provincial Service
in Mandarin 2300 GMT 23 Dec 89*

[Text] By the end of November, Qinghai Province's revenue had reached 750 million yuan. With irrational factors factored in, Qinghai Province's revenue has registered a 16.41 percent increase this year as compared with the corresponding period last year.

Statistics show that Haixi Mongol-Zang-Kazak Autonomous Prefecture, Hainan Zang Autonomous Prefecture, Huangnan Zang Autonomous Prefecture, Yushu Zang Autonomous Prefecture, and Golo Zang Autonomous Prefecture have already successfully accomplished this year's revenue task respectively.

Moreover, Qinghai Province has also overfulfilled its annual quota regarding the product tax, the income tax of collective enterprises, the individual income regulation tax, and four other types of taxes. As for the industrial and commercial tax, Qinghai Province had already fulfilled 95.8 percent of its annual quota by the end of November.

Xinjiang Party Chief Commends Border Guards

*HK2712154989 Urumqi Xinjiang Regional Service
in Mandarin 1230 GMT 26 Dec 89*

[Excerpt] This morning the regional party committee's guest hall was packed full with the members of the report team on the spirit of (Chenxianwen), the border pass in Karakoran. The team made reports for cadres of organs under direct regional authority.

At 5,380 meters above sea level, (Chenxianwen) Pass is situated at the entrance to Karakoran Mountain. It is the highest place where the Army is stationed. With boundless loyalty to the party and motherland, a spirit of hard struggle, and oblivious to pain, over the last 30 years the soldiers and commanders guarding the pass have given play to the revolutionary spirit of facing sacrifice. They have brilliantly completed the duties of standing guard, patrolling, military training, and construction under the hard, dangerous conditions of severe cold, insufficient oxygen, and inconvenient traffic. The unit stationed there has been awarded the honorable title of the "Steel and Iron of Karakora" by the Central Military Commission.

At the report session, the deputy political commissar of a certain border defense regiment of Xinjiang Military Region, (Yan Haitian), company commander of (Chenxianwen) border-defense company (Zhang Xuehong), and a Karakoran Medical Station's female nurse, (Feng Qiangyu), briefed the audience on the soldiers' and commanders' (Chenxianwen) spirit, which was selfless dedication, arduous struggle, and their love of border defense by recounting touching incidents in sincere words.

Before the report session, leading comrades of the regional party committee Song Hanliang, Caodanuofu Zhayier, (Keyum Bawudun), Feng Dazhen, and others cordially received the members of the report team. Song Hanliang commended highly the (Chenxianwen) spirit, describing it as a selfless dedication to the party, motherland, and the people and as a model for contemporary Army personnel. He hoped that such a spirit can be developed among the vast mass of military personnel. [passage omitted]

Mainland Dissidents Seek Taipei Support

OW2612073089 Taipei CNA in English
1611 GMT 25 Dec 89

[Text] Taipei, Dec. 25 (CNA)—A mainland Chinese dissident student who had been wanted by the Peking regime announced here Monday that he has severed relations with his parents who are on the mainland.

Chang [name indistinct], one of four independent [words indistinct] visiting the Republic of China, made his announcement upon arriving in Taipei.

Chang, who had been in charge of broadcasting in Tienanmen Square before June 4, said that after he had fled Mainland China his family members had been terrorized.

Since then, he said, "I have decided to cut off my relationship with my parents."

The U.S.-based IFCSS dispatched President Liu Yongchuan, secretary general Liu Ya-tung, Liu's aide Chin Hsia and Chang here for the first large-scale exchange between pro-democracy movement organizations and Taiwan.

Liu said IFCSS now has a membership of 45,000, all Chinese students studying in over 200 universities in the U.S.

Though it is the largest overseas pro-democracy group, IFCSS is short of manpower for research and sponsoring activities. "Manpower is where Taiwan can best help us," Liu said.

The four Mainland Chinese student leaders said they believed Romanian President Nicolae Ceausescu's fall would have a great impact on the mainland because the Romanian regime and Peking regime were quite similar.

Both regimes were independent of the Soviet Union, had long-time dictatorships, and had close ties with each other. "Unfortunately," they added, "both regimes have suppressed with bloodshed their peoples' call for freedom and democracy."

But the Romanian people's blood had not been shed in vain, and sooner or later the spring of democracy would come to mainland China, they said.

Liu said his organization would learn from the Romanians and strengthen the dissemination of information among soldiers on the mainland.

Prosecution of Mainland Democracy Promoters Dropped

OW2512041789 Taipei Domestic Service in Mandarin
2300 GMT 19 Dec 89

[From the "National Hookup" program]

[Text] After investigation, (Chen Yaoneng), prosecutor of the Taiwan Higher Procuratorate, decided that the three mainland democracy promoters (Chang Kang),

(Chou Chiang), and (Wang Lungmeng), who had been charged with committing rebellion by joining the Communist Party, had turned themselves in to the police, and decided not to prosecute them according to Provision 1 of Clause 1 of Article 9 of the Regulations on Punishing Rebels.

The three individuals, who had been smuggled into Taiwan by (Chen Baichung), responsible person of [words indistinct], are currently still being detained in Taichung. They were being investigated by the Yilang District Procuratorate on charges of violating the National Security Law.

Courts May Contact Mainland Courts, Citizens

OW1812055689 Taipei CHINA POST in English
10 Dec 89 p 8

[Text] In a further relaxation of Taiwan-mainland relations, the Judicial Yuan has dropped a ban on Taiwan courts corresponding with mainland courts and citizens, the UNITED DAILY NEWS (UDN) said.

According to the UDN, the Taipei District Court has received at least a dozen letters from mainland residents who want to settle inheritance disputes in Taiwan courts. Answering mainland inquiries has been forbidden under the official "no contact, no negotiations and no compromise with the Chinese Communists" policy.

The Judicial Yuan has allowed local courts to reply to mainland legal inquiries in the name of the Court Joint Legal Service Center. To avoid shouldering responsibility, the Taipei District Court wrote the replies on ordinary stationery.

According to ROC [Republic of China] law, mainland residents may sue in Taiwan courts on the condition that the claimants come to Taiwan or they appoint a Taiwan Lawyer to represent them in court. But except for visiting ailing relatives or attending funerals, mainland citizens cannot enter Taiwan unless they have been resident in a foreign country for at least four years.

Police Deny Direct Mainland Contact on Smuggling

OW2412213989 Taipei CNA in English
1556 GMT 23 Dec 89

[Text] Taipei, Dec. 23 (CNA)—The Republic of China's [ROC's] National Police Administration (NPA) Saturday denied reports that it has sought to cooperate with public security authorities on the China mainland to jointly crack down on firearms smuggling gangs.

The administration, in a statement, rejected as "absolutely untrue" local reports that the NPA has sent 18 police officers to Fukien Province, in southeast China mainland, for a joint operation against the firearms smuggling gangs active across the Taiwan Strait.

The reports said the cooperation project was conducted through the mediation of the International Police Organization (Interpol).

An increasing volume of China mainland produced drug and firearms have been smuggled into the Taiwan area in recent years, thus posing a serious threat to social order here, the statement said.

Against the backgrounds, the statement said, the NPA did sent relevant information several times to the public security authorities on the mainland indirectly through Interpol and urged it to investigate and crack down on the drug and firearms smuggling groups.

The administration stressed however, that it had never directly contacted or negotiated with its mainland counterpart, let alone sending local police personnel to the mainland for an investigation mission.

Commentary Likens Fang Lizhi, Sakharov

*OW2312053589 Taipei International Service
in English 0200 GMT 20 Dec 89*

[Station commentary: "The Death of Sakharov"]

[Text] The death of Andrey Sakharov last week in Moscow leaves a gaping hole in the future of the human rights movement in the Soviet Union. Sakharov, who was known both as the father of the atomic bomb and the father of the human rights movement in the Soviet Union, will undoubtedly be sorely missed.

Ironically, Sakharov will also be missed by Soviet President Mikhail Gorbachev. Gorbachev needed Sakharov's independent opposition voice to help push forward the reform programs. Sakharov's was an imposing voice indeed, as he was able to draw on the respect of even Gorbachev's detractors.

It was Gorbachev who ended Sakharov's years of internal exile. Despite his reverence as one of the top scientists in the country, Sakharov was banished by the Brezhnev regime for speaking out too loudly on human rights issues. Sakharov was able to maintain communication with the outside world via his wife, Elena Bonner. But both made headlines in recent years due to their ill health. Sakharov had a heart condition that led to his demise. Sakharov made a stunning comeback last year by winning election to the Soviet parliament. There, he was one of the most outspoken champions of human rights and reform. Gorbachev learned to need him as much as despise him.

Because of his international stature, Sakharov enjoyed a near untouchable position in the new Soviet society. But because of his links to Soviet nuclear weapon development, he was not able to leave the country, as were other famous Soviet dissidents, such as Aleksandr Solzhenitsyn.

Sakharov leaves behind much momentum in the effort to reform the Soviet Union, specially with regard to democracy and respect for the norms of international human rights.

He also leaves behind another legacy, one that could have far more important ramifications in world affairs. This legacy is the person of Fang Li-chih [Fang Lizhi], the Mainland Chinese scientist, also turned dissident, who is now holed up in the U.S. Embassy in Peking. Fang emerged on the human rights scene in Communist China in late 1986, when he encouraged mainland-wide student protests. He quickly became known as the father of the human rights and democracy movement in Communist China. To the outside world, he was admirably referred to as the "Sakharov of China."

For now, Fang's world is limited. Washington and Peking have not come to terms on just how he will be released from the U.S. Embassy. The Americans have suggested that he be allowed to leave the country; the Chinese Communists want to try him as a "counterrevolutionary." The stand-off has no end in sight, despite recent high-level contacts which touched on the subject of resolving Fang's dilemma.

For many years Andrey Sakharov endured a similar psychological torture at the hands of his communist masters. His fall from Order of Lenin winner to lonely exile was more pain than any man should bear. His comeback astonished a hopeful world and proved his fortitude. Fang Li-chih bears a heavy burden if he is to truly earn his nickname as the "Sakharov of China."

Reportage on Panama Relations, Events

Recognition Near

*OW2812034389 Taipei CNA in English
0303 CAT 26 Dec 89*

[Text] Panama City, Dec. 27 (CNA)—The Republic of China's [ROC] Ambassador in Panama Soong Chang-chih visited Panamanian Foreign Minister Julio Linares Wednesday, extending him the ROC Government's congratulations for the establishment of Panama's new government.

Ambassador Soong told Minister Linares that the ROC is to recognize the government led by President Guillermo Endara. The official letter is about to arrive in his office, he added.

The ROC is willing to offer her experiences in the economic development to friendly nations, such as Panama, to help develop their economies, Soong said to Linares. He expected that the relations between the ROC and Panama would be further strengthened through economic cooperation.

In response, Linares expressed his gratitude for the friendship demonstrated by the ROC. He said his government is to promote the relations with democratic and progressive countries.

Replying to an oral invitation extended by Ambassador Soong, the minister said he would like to visit Taiwan someday to see the progress made there.

Linares said Panama is now in a difficult time and needs help for economic recovery. He asked democratic nations in the world to extend a hand to Panama in this aspect.

The meeting between Ambassador Soong and Minister Linares was held at the Foreign Ministry, where Soong also had a brief but cordial talk with Second Vice President and Minister of Economic Planning and Policy Guillermo Ford.

Envoy Seeks Refuge

OW2812004389 Taipei International Service
in English 0200 GMT 25 Dec 89

[Text] The Ministry of Foreign Affairs Saturday ordered Ambassador Sung Chang-chih to evacuate the dependents of ROC [Republic of China] diplomats in Panama City for the sake of safety. The Foreign Ministry gave the order after six armed men forced their way into the Economic Affairs Division of the ROC Embassy in Panama on Friday. They robbed three employees and looted the office.

Many members of the Chinese community also reported huge losses from looting and robbery due to the fighting and the state of near anarchy in the city. ROC Ambassador to Panama Sung said he has yet to receive directions from Taipei for dialogue with the new, U.S.-backed Government. He said contacts are expected to begin after the political situation in Panama stabilizes.

In a related news, Panamanian Ambassador to the ROC (Ariorio Chu Yi) has asked the ROC Government to let him stay in Taiwan if he is replaced. (Chu), who is of Chinese descent, said his request was sent to the Ministry of Foreign Affairs after U.S. troops landed in his country. The ambassador, a friend of General Manuel Noriega, said he is afraid of what might happen to him if he returns home.

Meanwhile, Foreign Minister Lien Chan said national interest would be the main consideration in deciding ROC relations with the new Panamanian Government. Lien also said that the ROC will live up to its commitment to build an export processing zone in Panama after the situation stabilizes.

Industrial Zone Planned With Vietnam

OW2512041589 Taipei International Service
in English 0200 GMT 22 Dec 89

[Text] The Republic of China [ROC] is planning with Vietnam to establish an industrial zone of about 60 labor-intensive factories in Vietnam's Dong Nai Province. Announcing the move, the chairman of the ROC-Vietnam Industrial and Commercial Association said that the development cost of the project is about \$100 million.

The association, which signed with Vietnam a memorandum on the agreement on the deal, is a quasi-government body. The chairman of the association recently returned from a trip to Vietnam with 37 local businessmen.

In the industrial zone, there will be about 60 labor-intensive factories, which will produce items such as toys, shoes, furnitures, and textile.

Currently, the ROC and Vietnam have no formal diplomatic relations, but economic ties have strengthened significantly over the past years.
ded With Philippines

OW2512034089 Taipei Domestic Service in Mandarin
2300 GMT 19 Dec

[From the "National Hookup" program]

[Text] China and the Philippines today will simultaneously upgrade their representative offices in each other's country. China's Pacific Economic and Cultural Center in the Philippines will be renamed China's Taipei Economic and Cultural Office in the Philippines, and the Philippines' Asia Trade Center in China will be renamed the Philippines' Economic and Cultural Office.

President Views Constitutional Revision

OW2612073889 Taipei CNA in English
1559 GMT 25 Dec 89

[Text] Taipei, Dec. 25 (CNA)—President Li Teng-hui said Monday that the Republic of China's [ROC's] Constitution cannot easily be amended but some revisions may be necessary to keep it in step with the times.

He urged the members of the National Assembly, which has the authority to amend the Constitution, to "respond to the calls of the time" in regard to presidential tenure, the president's authority and local autonomy.

Speaking to the opening ceremony marking the concurrent meeting of three National Assembly functions on Constitution Day, the president said "all discussions about the Constitution must not violate the basic spirit of the Constitution."

Such discussions must be premised on "not shaking the foundation of the nation," he added.

Therefore, he said, any acts that would divide national territory, [words indistinct] national integrity and harm the grand enterprise of national unification should not be tolerated by law and should be spurned at by all people.

As the country's basic law, Li said, the Constitution cannot be easily amended since it embodies the consensus of all Chinese at home and abroad. A serious problem for the people on Taiwan is to enrich their "Taiwan experience" so that it will have a "lighthouse effect" on the mainland, President Li said.

In another speech to the National Assembly, Premier Li Huan stressed that the timetable for China's unification should be jointly decided on by all Chinese on both Taiwan and the China mainland.

"We insist that the unification of national territory must not be achieved through the use of force but through public opinion and preference," the premier said.

He told the National Assembly, "We are firm and clear in our position that we will seek national unification in the nation's interest."

"This is not a matter of struggling for political power, much less a matter of uniting the like-minded to suppress dissidents," he said.

"Rather, this is a matter about realizing political democracy, economic liberalization and social equality for all Chinese," he added.

Japanese Policy on Mainland Hijackers Respected

*OW2412214889 Taipei CHINA POST in English
18 Dec 89 p 12*

[Text] The Republic of China [ROC] respects Japan's handling of the family of three who hijacked a mainland Chinese airliner Saturday in a bid to seek asylum in Taiwan, said the spokesman for the Ministry of Foreign Affairs (MOFA) yesterday.

According to wire services, the Japanese Government returned two of the hijackers back to Peking yesterday. It will return the third hijacker as soon as he recovers from injuries he suffered during the incident, the services said.

MOFA Spokesman Chen Yu-chu said the ROC will respect the Japanese handling of the case in accordance with international law. So far, the ROC representative in Japan has not contacted the government there, Chen said.

The hijackers forced an Air China Boeing 747, enroute from Peking to New York, to Fukuoka, Japan last Saturday.

A Japanese television channel reported Saturday that the hijackers wanted to divert the plane to Taiwan but were refused permission to land.

Meanwhile, local political analysts said the government is likely to drop its policy of granting asylum to hijackers of mainland ships or planes who seek refuge in Taiwan.

The analysts said the policy change came amid mounting international pressure on the government to stop accepting mainland hijackers.

The government first came under pressure in May 1983 when it allowed six people who hijacked a mainland jet to South Korea to come to Taiwan.

In 1984 and 1988 the government allowed hijackers of mainland aircraft into Taiwan and gave them only token prison terms of between one and three years.

Kuomintang Reshuffles Leadership Posts

*OW2712124489 Taipei CNA in English
1146 GMT 27 Dec 89*

[Text] Taipei, Dec. 27 (CNA)—The ruling Kuomintang's [KMT's] Central Standing Committee Wednesday announced a reshuffle of several key party posts.

Vincent C. Siew, vice chairman of the Council for Economic Planning and Development, was named head of the KMT's Department of Organization Affairs to replace John Kuan. Kuan remains the party's deputy secretary-general.

Vice Foreign Minister John Chang was appointed chief of the Overseas Affairs Department, replacing Cheng Hsin-hsiung, who will take over the Mainland Affairs Department.

The Central Standing Committee also announced new chiefs for its three major regional party offices. Wang Shu-chin was appointed head of the Taiwan Provincial Commission, replacing Ma Cheng-fan. Former Nantou County magistrate Wu Tun-yi was named chairman of the Taipei municipal committee and Huang Ching-fung chief of the Kaohsiung municipal committee.

KMT Schedules February Plenum

*OW2312010789 Taipei International Service
in English 0200 GMT 21 Dec 89*

[Text] The ruling Kuomintang [KMT] Central Standing Committee on Wednesday approved the holding of a plenum of the Central Committee on February 11 of next year.

The major purpose of the plenum will be to nominate a candidate for president and vice president of the Republic of China [ROC].

The National Assembly will elect the president in March.

Secretary General of the KMT Soong Chu-yu, who is in charge of staging the plenum, has informed concerned party officials on the decision to hold the plenum. He said that planning will get underway in the near future.

Deputy secretary general of the ruling KMT, Kuan Chung, has blamed the inefficiency of the party's grass-roots organizations for its 2 December election setback.

Speaking to the KMT legislators elect at a forum, Kuan said the party cannot attribute its less than satisfactory election showing to political overloading, rather [words indistinct] activities of the KMT grass-roots units have become ineffective and out of touch with the society.

Instead of working hard, Kuan noted that the local party committees have become too dependent on the help of various factions.

Kuan charges several shortcomings of the party organizations, including lack of confidence in young members, absence of coordination between the party and party members holding public posts, poor cadre training, and inadequate cooperation between the local party committees and the development of a bureaucracy.

Hong Kong

Democratic Alliance Denies Tie to Detainees

HK2712020789 Hong Kong SOUTH CHINA
MORNING POST in English 27 Dec 89 p 3

[By Daniel Kwan]

[Text] The Hong Kong Alliance in Support of the Patriotic Democratic Movement in China last night denied any ties between itself and the five Hong Kong and Macao residents arrested by mainland police for helping pro-democracy activists to escape from the mainland.

However, the Alliance condemned the arrests and urged the leadership in Beijing to release the five men.

At the same time, the Alliance plans to hold a mass rally on New Year's Eve to salute the pro-democracy activists who have been arrested since the military crackdown in Beijing in June.

It was reported on Monday that four Hong Kong residents and a Macao student who studied at the Jinan University in Guangzhou had been arrested.

The four Hong Kong residents are Lai Pui-sing, Tse Chun-wing, Li Lung-hing and Luo Hai-sing. The Macao student is Chan Tsak-wai.

The Chinese Ministry of Public Security also named John Shum, a popular filmmaker who is also a committee member of the Alliance, as a key member involved in the organisation of the escape route for dissidents.

But the statement issued by the Alliance last night did not mention Shum.

Alliance chairman, Mr Szeto Wah, said: "This statement issued by the Alliance has the full (agreement) of Mr Shum, but any questions related to Mr Shum will have to be answered by Mr Shum himself."

Shum last night refused to comment on the case, saying that he was still discussing the matter with his lawyers. But he said he stood by the statement issued by the Alliance.

"I will meet the press when I finish discussions with my lawyers," he added.

"The Alliance has never made any contact with these five persons and we have absolutely no idea of their activities," the Alliance statement said.

"The Alliance is a legal organisation in Hong Kong ...and we will continue to extend assistance to all those pro-democracy activists who have suffered because of their democratic ideals."

A spokesman and committee member of the Alliance, Mr Cheung Man-kwung, said the object of the mass rally

was to highlight the development of the pro-democracy movement over the next decade.

"We will discuss details of the rally, such as whether we will march to the New China News Agency office," he added.

"We stand firm on our stated goals and we will not bow to pressure from the Beijing authorities."

The Alliance will hold a press conference today to announce details of the rally.

Prodemocracy Activist Rejects Accusations

HK2712085489 Hong Kong AFP in English
0844 GMT 27 Dec 89

[Text] Hong Kong, Dec 27 (AFP)—A local pro-democracy activist, who was named by Beijing for his involvement in "subversive" activities, remained defiant Wednesday and said the accusation would not stop his fight for democracy.

"I don't care about Beijing's accusations, and I will continue my fight for democracy in Hong Kong and in China," said popular actor John Shum, who was named on Monday by the Chinese Ministry of Public Security for his role in helping "wanted criminals" to leave China.

It was the first time Chinese authorities identified by name a local individual's participation in what they called "subversive" activities, though they had laid similar accusations against the Hong Kong Alliance in Support of the Democracy Movement in China, of which Mr Shum is a committee member.

Labelling the Alliance as "counter-revolutionary," China alleged that it was set up to topple the current Chinese regime and had assisted "wanted criminals" to flee abroad following the June 4 brutal suppression of the pro-democracy movement in Beijing.

"The warning would not deter me from going to China in the future," Mr Shum added. He offered material support to Beijing students during his visit there in May when the cry for reform swept China.

Except calling the move to name him as "hysterical," Mr Shum declined to comment further on the arrests in the mainland of five Hong Kong and Macau residents, with whom China had earlier claimed he had collaborated to help "wanted criminals escape."

"There are other human lives at stake, and it would not be advisable for me to say any more," Mr Shum said.

Meanwhile, the Alliance denied any link with the arrested five, but it showed its support and respect for their "brave and righteous behaviour in rendering help to the Chinese pro-democracy activists."

Lee Cheuk-yan, spokesman for the Alliance, said they planned to stage a candle light vigil on New Year's Eve

and a mass rally on New Year's Day to show their hope in democratic development across the border in China.

"The Romanian uprising has given us inspiration. We are still hopeful that democracy could be a reality for China in the 90's," Mr Lee said.

The Basic Law which will govern Hong Kong following its 1997 reversion to Chinese rule is to contain a clause outlawing "subversion" against the Beijing authorities.

Article Views 'One Country, Two Systems'

OW2512161389 Beijing BEIJING REVIEW in English
25-31 Dec 89 pp 12-16

[Article by Guo Gang: "Implementing the Policy of 'One Country, Two Systems'—A message to Hong Kong Compatriots on the Fifth Anniversary of the Signing of the Sino-British Joint Declaration on the Question of Hong Kong"]

[Text] Five years ago, the governments of the People's Republic of China and Britain officially signed in Beijing the Joint Declaration on the Question of Hong Kong, affirming China's resumption of the exercise of sovereignty over Hong Kong on July 1, 1997. The question of Hong Kong, which is left over from the past, was therefore satisfactorily resolved and the national humiliation inflicted upon the Chinese people over the past 100 or 20 years ended. The Government of the People's Republic of China, under the leadership of the Chinese Communist Party, had finally achieved what the governments of old China could not have accomplished. This historic event was a major success of New China's diplomacy and a significant step towards the reunification of China. All the Chinese people, including the compatriots in Hong Kong, felt happy and jubilant.

The resolution of the Hong Kong issue removed the historical shadow over Sino-British relations, bringing about the best years in their relationship. Over the past few years, to implement the joint statement, the Chinese government has made great efforts and co-operated with the British side.

The Sino-British Joint Liaison Group and the Sino-British Land Committee have functioned effectively. After mutual consultations both sides have finished examining the transitional arrangement of travel and identification cards for all Hong Kong residents—something that is closely tied to the interests of Hong Kong residents—and reached agreement on Hong Kong's separate participation in the General Agreement on Tariffs and Trade under the name "Hong Kong, China" after 1997. Agreements have also been reached and arrangements made permitting Hong Kong to stay in such international organizations as the Asian Development Bank, the International Monetary Fund, the International Bank for Reconstruction and Development, the Universal Postal Union, the International Telecommunication Union, and the International Maritime Organization. Progress has also been made in the localization of

Hong Kong laws, the reaching of the Hong Kong Civil Aviation Agreement, the arrangement for the transfer of criminals between Hong Kong and other countries and the transitional arrangement of land contracts. Now long after the signing of the joint declaration, the National People's Congress decided to set up the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region in order to write into law the Chinese government's basic policy on Hong Kong. After more than four years of common efforts by both mainland and Hong Kong legislators, the Draft Basic Law for Solicitation of Opinions and the draft of the Basic Law have been published along with two widespread bids to solicit opinions in Hong Kong and the mainland. At present, the drafting committee is busy with final revisions to the Basic Law, which will be submitted to the Third Session of the Seventh National People's Congress to be convened in March for deliberation, approval and promulgation.

Thanks to the joint efforts of the Chinese and British and Hong Kong compatriots, Hong Kong's situation over the past few years has been generally stable. Its economy is thriving, its society stable and people are working hard for a more dynamic and vigorous Hong Kong. Facts have proved, and will continue to prove, that the Chinese government has steadfastly abided by the Sino-British Joint Declaration and conscientiously fulfilled its commitments in this international agreement.

The Chinese government's basic policy on Hong Kong, stipulated in the joint declaration, was based on the scientific formula of "one country, two systems." The Third Plenary Session of the 11th Central Committee of the Chinese Communist Party restored the Marxist ideological line of seeking truth from facts. Based on a deep respect for history and reality, Comrade Deng Xiaoping crystallized the collective wisdom of the Party Central Committee and put forward an unprecedented idea of "one country, two systems" as the basic state policy for reunifying China. As far as Hong Kong is concerned, the formula and its subsequent series of special policies are based on the historical and actual conditions of Hong Kong. They have both maintained national sovereignty and assured Hong Kong's continued stability and prosperity. This policy conforms to the fundamental interests and common desire of the whole Chinese nation including Hong Kong compatriots, but it also takes into account the interests of other parties. It is both reasonable and practical, and therefore it has received genuine support from the Chinese people both inside and outside China and acclaim from the international community at large.

Hong Kong's rise and fall is closely connected with that of the mainland. The only way to appropriately handle the relations between Hong Kong and the mainland is to earnestly implement the policy of "one country, two systems" by seeking a common ground of "one country" and preserving the differences of "two systems." This is a basic prerequisite for maintaining long-term stability

and prosperity in Hong Kong. It applies during the transitional period, and will be even more so after 1997.

The core of the "one country, two systems" concept is the reunification of the country. Everything else will be out of the question without the reunification of China and its resumption of the exercise of sovereignty over Hong Kong. The "one country, two systems" policy clearly states that the future Hong Kong Special Administrative Region will be a regional administrative division of the People's Republic of China and will be under the direct jurisdiction of the Central People's Government. The relationship between the Central People's Government and the Hong Kong Special Administrative Region is the same as that between a central government and a local government. The Hong Kong Special Administrative Region can enjoy a high degree of autonomy, but this autonomy, granted by the central government, is to be executed under the state sovereignty of the unified People's Republic of China. It does not mean that Hong Kong is an independent or semi-independent political entity. Therefore, to implement the "one country, two systems" policy, the state's sovereignty must be maintained first, the Chinese nation's unity must be safeguarded and any attempt to block China's resumption of the exercise of sovereignty over Hong Kong must be opposed.

Some people propose that Hong Kong be "separated" and "insulated" from the mainland. Some even suggest that a "burglar-proof lock" be mounted between Hong Kong and the mainland and that the key be kept by the Hong Kong people. This view is in total defiance of the integrity of China's sovereignty. It is not advanced in support of the high-level autonomy under the "one country, two systems" in a bid to turn Hong Kong into an independent political entity that will be eternally separated from China. It is well-known that Hong Kong did not, and will not, have any conditions for independence from the mainland.

As for the division of powers between the central government and the Hong Kong Special Administrative Region under the "one country, two systems" formula, the Basic Law will stipulate that clearly. After 1997, the central government will respect the high-level autonomy of Hong Kong. It need not and will not interfere in the specific affairs of Hong Kong, but it is necessary for the central government to retain some powers that are indispensable for a state's central government. This is a basic guarantee for maintaining the unified national interests. If the central government renounces all powers, chaos that is detrimental to the fundamental national interests and as well as Hong Kong's interests will probably erupt in Hong Kong. Therefore, it is in the interests of Hong Kong for the central government to keep some necessary powers.

Some people, in an attempt to pit "democracy against communism," suggest that the "democratic process be accelerated" in developing Hong Kong's political

system. They favour holding a general election of legislators at a date much earlier than stipulated in the draft Basic Law. They stress that this is the desire of the Hong Kong people in an attempt to create a de facto situation to bring the Chinese government to its knees.

The Chinese government does not approve of this practice and has reaffirmed repeatedly that China stands for democratization of Hong Kong's political system. But it must conform to the spirit of "one country, two systems" and the process must be gradual, with the balanced participation of all levels of society taken into account. Briefly, the democratization must dovetail the stipulations of the Basic Law and serve the stability and prosperity of Hong Kong. With regard to the people's will, the central government must pay attention not only to those people who seemingly serve the public interest but actually have ulterior motives, but also to the "silent majority" of the Hong Kong residents. It must heed the views of the Hong Kong residents, but also the views of all the Chinese people. Some people have discarded the principles of a step-by-step process and conformity with the Basic Law and played once again the card of the "people's will" in order to accelerate the democratization of the political system. This cannot but arouse our suspicions that these people are actually seeking, under the pretext of "Democracy," to establish a power pattern in Hong Kong after 1997 that will confront the central government and harm China's sovereignty. This, we resolutely oppose.

Attempts to internationalize the Hong Kong question have also become a notable trend recently. The Chinese government has always maintained that Hong Kong's status as an international monetary and trade centre remains unchanged. The region will continue to develop economic relations with other countries or regions in the world, for this will only favour its stability and prosperity. However, to maintain Hong Kong's role as an international monetary and trade centre and to internationalize the Hong Kong issue are two completely different things. Those who advocate internationalization of the Hong Kong problem do not proceed from the need of Hong Kong's economic development, but attempt to create a situation where international forces can gradually intervene in Hong Kong's political affairs. Essentially they want to muster anti-Communism and anti-China forces in the world in order to thwart China's resumption of the exercise of sovereignty over Hong Kong. As is known to all, Hong Kong has been part of China's territory since ancient times. It is only natural that China resumes the exercise of sovereignty over Hong Kong. However, out of consideration for Hong Kong's history and reality as well as for the good Sino-British relationship established after the founding of New China and on the basis of the Five Principles of Peaceful Co-existence, China and Britain finally reached an agreement on the Hong Kong question after serious negotiations. During the transitional period before 1997, the implementation of the Sino-British Joint Declaration

is entirely an affair of the Chinese and British governments, in which no other country or international organization has the right to intervene.

After 1997, Hong Kong will become a special administrative region of the People's Republic of China. The Chinese government firmly refuses to make it an area under international condominium. As Hong Kong is an international city, many other countries have their economic interests there. While China employs the concept of "one country, two systems" to solve the Hong Kong problems, China has shown consideration for other countries' economic interests in Hong Kong. However, the economic interests of other countries in Hong Kong should be protected by the Basic Law and other relevant Hong Kong laws, and no foreign political intervention in Hong Kong's affairs will be permitted. The argument that those countries having economic interests in Hong Kong naturally share political interests in its future arrangement and therefore can participate in Hong Kong's political affairs, is a theory of hegemony and power politics. In the 1980s, and today when the Chinese people have stood up, such a theory will never work.

In order to carry out the spirit of "one country, two systems," the mainland and Hong Kong should respect each other, get along peacefully, and respect each other's social system and lifestyle. Both sides should not force one's own political ideas and ideology upon the other. That is to say, Hong Kong practises capitalism, while the mainland follows a socialist road. Well water should not intrude into river water, nor should river water intrude into well water. The Chinese government opposes any attempts to harm complete state sovereignty and to change "one country, two systems" into "two countries, two systems." The government also opposes wiping out one system with another and changing "one country, two systems" into "one country, one system." Chinese leaders have stated again and again that the Central People's Government will neither change Hong Kong's capitalist system nor practise its socialist system and policy in Hong Kong. The leaders also hope certain Hong Kong people will not intervene in or attempt to change the mainland's socialist system.

As China's citizens, Hong Kong compatriots undoubtedly enjoy the right of participating in the management of state affairs, according to law. And their opinions and suggestions about the mainland's work will be much appreciated. However, when they participate in the management of state affairs, they must respect the mainland's socialist system and follow the state constitution and laws. At present, Hong Kong residents enjoy freedom of speech and press. According to the stipulations of the draft Basic Law, they will continue to enjoy these freedoms after 1997. During the transitional period and after Hong Kong has returned to the motherland, Hong Kong compatriots must confine themselves to Hong Kong laws in their speeches and actions, as well as the state constitution and the relevant laws when they participate in state affairs as Chinese citizens. When Hong Kong compatriots want to raise opinions to the

central government, they should do it through legal channels and in a legal way, such as, through the National People's Congress deputies, or the Chinese People's Political Consultative Conference National Committee members or submitting a written statement and appealing to the higher authorities. If unsuitable means are adopted to express one's own viewpoints, things might go contrary to his wishes and damage might be brought upon the friendly relationship between the mainland and Hong Kong. People from the mainland and Hong Kong compatriots are all members of the same family, and when dealing with mutual relations, they should stress both legality and reasonableness, show consideration for the differences in politics, the economy, the social system, ideology and values, and try to seek common ground while preserving differences. If one side tries to impose what it favours on the other and acts to hurt the feelings of the other side, that will be harmful both to the state and to the individual. Therefore, the Chinese government hopes both the mainland and Hong Kong will stress getting along peacefully and make joint efforts to create a good environment in which the concept of "one country, two systems" can be implemented smoothly.

Currently, the problem is that there are certain people who use Hong Kong as a base to subvert the Central People's Government and the socialist system on the mainland. They have openly claimed that they plan to overthrow the central government and push Western "democracy, freedom and human rights" into the mainland. They have viciously attacked and slandered Chinese leaders, creating various rumours to launch anti-Communist and anti-socialist sentiments, and even penetrated into the mainland to support and take part in activities of illegal organizations. They added fuel to the flames when the turmoil and counter-revolutionary rebellion took place in Beijing in May and June. They plotted to help the counter-revolutionary rioters wanted by the central government to secretly flee away and took them in. All their subversive activities are in violation of the desire and interests of the Chinese people and have resulted in harming the stability and prosperity of Hong Kong.

The establishment and consolidation of the socialist system on the mainland has embodied the objective law of China's modern social movement. Since the founding of the People's Republic of China 40 years ago, socialism has made China with its 5,000-year-old civilization reemerge with vigour into a prosperous country from a poor and backward nation. Today socialist China is playing an increasingly important role in world affairs. It is socialism that helped the Chinese people stand up, and no longer suffer from the bullying and humiliation of imperialists and colonialists. All the overseas countrymen and countrymen of Hong Kong and Macao have deeply felt it from their own experience. Only when the socialist motherland is prosperous and strong can capitalist Hong Kong be stable and prosperous. We don't want the compatriots of Hong Kong to accept the

socialist system, but believe that all patriots who support the reunification of China preserve China's national dignity and wish China to be prosperous will surely understand why 1.1 billion Chinese people on the mainland chose the socialist road.

To implement the spirit of "one country, two systems," Hong Kong and the mainland should benefit each other in economics because both sides have many common interests and room to develop and promote social prosperity. Common interests have closely linked Hong Kong with the mainland. The prosperity and stability of Hong Kong relies on the support of the mainland. Without rich and cheap natural resources, labour, food, fresh water and daily necessities provided by the mainland, the economy of Hong Kong could not sustain prosperity and development for very long. Hong Kong is also a door for all countries of the world to enter China. With the mainland pursuing the policy of reform and opening to the outside world, Hong Kong has gained many benefits from economic activities between China and other countries.

Reform, opening up to the outside world and construction of the mainland also need Hong Kong's foreign ties. It needs to increase export of raw materials and products, introduce capital, technology and advanced management experience through Hong Kong. Their shared economic interests demand that, when handling their economic relations, they stress mutual benefit and common development.

Since the Sino-British Joint Declaration was signed in 1984 the British government has been responsible for the administration of Hong Kong during the transitional period. Whether Sino-British relations are good or not directly influences relations between Hong Kong and the mainland.

For five years China and Britain have maintained friendly cooperation in implementing the joint declaration, indicating that the two countries have a common interest on the question of Hong Kong. In June, the Chinese government put down a counter-revolutionary rebellion in Beijing aimed at overthrowing the leadership of the Communist Party and socialist system—an entirely internal matter. China did nothing to hurt others, and it does not want to be hurt by anyone else. Currently, the Sino-British relations are abnormal, and responsibility does not lie on the Chinese side. The Chinese people do not want to see such a situation. China is a polite country and pays attention to courteous reciprocity.

On the question of Hong Kong China believes in consultation, mutual understanding and accommodation. The Chinese people cannot accept pressure being exerted upon them. The Chinese government has repeatedly reaffirmed its policy of reform and opening to the outside world won't change. Its policy of "one country, two systems" remains unchanged. The Chinese people will always observe the Sino-British joint declaration.

Whatever happens, China will not budge from the joint declaration. China and Britain should maintain and develop good relations of cooperation to ensure a smooth transitional period for Hong Kong. Unrest during this period will be in the interest of neither side. China hopes Britain will adopt a wise and realistic attitude and co-operate in order to implement the joint declaration.

Recently people often speak of the question on the future and confidence of Hong Kong. We consistently consider that the fundamental conditions for preserving stability and prosperity of Hong Kong such as exceptionally natural and geographical environment, comparatively stable society, free and open economic system and policy, industrious and ingenious 5 million compatriots of Hong Kong, the economic ties of Hong Kong with the mainland and preference of transfer of trade, as well as the policy of "one country, two systems" and other policies adopted by the central government towards the settlement of the question of Hong Kong still remain and will not fundamentally change.

If China and Britain continue to co-operate on implementing the joint declaration and Hong Kong maintains and develops a relationship of mutual respect and benefit with the mainland, Hong Kong will retain its unique vitality and its future will be bright.

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[By reporter Huang Riyao (7806 2480 1031)]

[Text] Beijing, 22 Dec (XINHUA)—When the Sino-British Joint Declaration on the Issue of Hong Kong was signed officially in Beijing 5 years ago, people lacking confidence in the future of Hong Kong and people who thought that the interior of China should be "off limits" never imagined that Hong Kong businessmen would by now have set up in China's interior more than 15,000 enterprises engaged in compensatory trade and in producing goods with supplied materials, designs, or parts. These people never imagined that Hong Kong businessmen would now own 70 percent of the total amount of foreign capital in China, topping any other country or region in the world; and that China-Hong Kong ties would be cemented further now as result of their economic growth.

In the past, the cheap labor, resources, and raw materials available in China's coastal areas also attracted those who wanted to develop their businesses in China. Businessmen who had flesh-and-blood ties with countrymen living in the Zhujiang Delta area also took the lead in setting up factories in their hometowns on an experimental basis. However, when China and Britain began negotiations on Hong Kong, a small number of businessmen became hesitant, being uncertain about the future of Hong Kong. Businessmen who had intended to do business with China stopped being skeptical only

after they realized that Hong Kong remained stable even after the joint declaration was signed. Interior China's reform and open policy and its preferential treatment of investment from Hong Kong and Macao further increased Hong Kong's confidence in investing in China.

When the Sino-British Joint Declaration was signed in 1984, the investment of Hong Kong businessmen in interior China was only a little more than \$1 billion. The amount of investment in 1988 exceeded \$3 billion. The Zhujiang Delta area has now become a Hong Kong production base, and Hong Kong businessmen controlling advanced technology and equipment are treated as guests of honor there. Each day trucks fully loaded with imported or exported raw materials or finished goods can be seen lining up at the Man Kum To custom house in Shenzhen, waiting for customs clearance. Because of the heavy workload there, new customs facilities are being built in the Lok Ma Chou District.

According to experts' estimates, each of the 2 million processing workers in the Zhujiang Delta area can make a profit of \$1,000 for Hong Kong businessmen annually.

Even more remarkable is the growth in China-Hong Kong trade. The total volume of bilateral trade in 1984 was merely HK\$95.1 billion [Hong Kong dollars]. The total trade volume trebled [er bei 0059 0223] in only a short 4 years to more than HK\$288.5 billion in 1988. In 1985, interior China became Hong Kong's biggest trading partner, ushering in a new stage in which interior China and Hong Kong are now each other's biggest trading partner. The increasingly frequent economic contacts between interior China and foreign countries have also stimulated the growth of indirect trade in Hong Kong. The Hong Kong Kuei Chung Container Wharf, which plays a decisive role in indirect trade, topped Rotterdam, the Netherlands, in 1987 in terms of handling capacity. Analysts maintain that at least 75 percent of Hong Kong's indirect trade is related to interior China. Meanwhile, banking and tourism services between interior China and Hong Kong and their scientific and technological ties also have grown rapidly. Now, in addition to the Zhujiang Delta area on the other side of Lo Wu Bridge [the bridge between Hong Kong's New Territories and China], business contacts between China and Hong Kong have extended to other coastal areas, and even to other parts of China. Hong Kong businessmen are busy not only with developing their trade and investment businesses in big cities, but also in outlying rural areas as well, and they have been travelling frequently on both sides of Lo Wu Bridge. Mr Zhu Lili, chairman of the board of Hong Kong's First Orient Investment Company, learned in Beijing, and not from a Hong Kong hospital, that his wife had given birth to his daughter.

Following the storm in Beijing in June, some people maintained that Hong Kong businessmen should relocate their businesses already set up in interior China to Southeast Asian countries. However, they gave up the

idea because production went on normally in Guangdong. Mr Yang Xiaohua, representative of the Hong Kong Swire Groups in Beijing, recently indicated that Hong Kong businessmen can make money most easily in southern China because there is political stability, a good investment environment, and because of its geographical proximity to Hong Kong. Analyzing the prospects for economic cooperation between Hong Kong and interior China, a Hong Kong businessman, who has a factory in Beijing, said: As long as China and Britain strictly abide by the joint declaration, and as long as China continues to uphold its reform and open policy, there will be a bright future for economic cooperation between Hong Kong and interior China.

Law Drafters Question Rights Bill's Supremacy

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[By Chris Yeung in Guangzhou]

[Text] The territory's first piece of legislation on human rights could be amended or repealed after 1997, a Basic Law Drafting Committee's sub-group has warned.

A proposal by the Hong Kong Government to give it supreme power over other laws may not be acceptable.

The panel studying inhabitants' rights and duties agreed yesterday that any Bill of Rights to be formulated before 1997 should be consistent with the contents and the status of future laws laid down in the Basic Law.

At stake is Article 8, which says the laws previously in force in Hong Kong, that is, the common law, rules of equity, ordinances, subordinate legislation and customary law, shall be maintained, except for those that are inconsistent with this law or have been amended by the legislature of the Hong Kong Special Administrative Region (SAR).

The mainland co-convenor of the sub-group, Mr Wang Shuwen, said after the meeting: "Nowhere in the article did it say certain laws are supreme over the others. The Basic Law does not provide a legal basis for any Bill of Rights to have supremacy power over the others.

"According to the Basic Law, any laws that are inconsistent with it will either be amended or cease in force after 1997," he said.

Mr Wang, director of the Institute of Legal Studies under the Chinese Academy of Social Sciences, said the sub-group agreed that the Bill of Rights was an internal matter for the Hong Kong Government, but maintained it has to be "converged": with the Basic Law.

Due to be released for public consultation by the Government next month, the future Bill of Rights would have an "over-riding power" so that any laws that conflict with it will become void.

The legislation to be enacted next year will also be "frozen" for at least two years to enable the Government to review its existing legislation to make sure it is consistent with the Bill of Rights.

Mr Wang's counterpart, Mr Simon Li Fook-sean, a retired Appeal Court judge, said: "I have never heard about certain laws being supreme over another in the history of the British legal system. It's unprecedented and specially created for Hong Kong.

"As far as the Basic Law is concerned, it has no such power. All laws in force in the future SAR should be equal. The proposal to have over-riding power will definitely be rejected.

"Why do they have to give supremacy power to it? Why has it to wait for two years to take full effect? What are the motives? I want to know.

"If the real motive is to study whether other laws will conflict with the Bill of Rights, it is nonsense. Only five or six persons can check out all the laws in question in six months."

Only the Basic Law itself should be supreme over any other laws, he said.

Government officials have said the Bill of Rights will not contravene the relevant provisions of the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.

Article 39 also says the provisions of the two international covenants as applied to Hong Kong shall remain in force and shall be implemented through the laws of the SAR.

Mr Wang insisted it was wrong to assume any Bill of Rights which was originated from the two covenants should be supreme over other laws under Article 39.

Apart from the proposed Bill of Rights, the sub-group spent most of the time examining two demands made by local trades unionists over the inclusion of the right of collective bargaining and the right of retirement benefits in the Basic Law.

Members decided to insert the right of retirement benefits, but rejected the appeal for collective bargaining power.

Mr Simon Li said the inclusion of the right of retirement benefits would become a strong guideline for the SAR legislature to introduce relevant laws to cope with the needs of the society.

However, he added: "We believe collective bargaining power is less important, given that workers will be given the right and freedom to go on strike and join unions.

"After all, it's the power of the unions that count. If any union is not powerful, it makes no difference whether it is given the right of collective bargaining."

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